

**SOKOMAN IRON CORP.**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2018**  
**(Form 51-102F1)**

This management discussion and analysis ("MD&A") has been prepared based on information available to Sokoman Iron Corp. ("Sokoman" or the "Company") as at October 29, 2018. The MD&A of the operating results and financial condition of the Company for the year ended June 30, 2018, should be read in conjunction with the audited consolidated financial statements of the Company, including the notes thereto, for the year ended June 30, 2018 and June 30, 2017 which were prepared in accordance with International Financial Reporting Standards ("IFRS") for audited financial statements, and the annual MD&A for the year ended June 30, 2018. Additional information relating to the Company may be found under its profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The technical information of this MD&A has been reviewed and approved by Mr. Timothy Froude, P. Geo. and a Qualified Person as defined by National Instrument 43-101.

Management's Assessment of Internal Control Over Financial Reporting ("ICFR")

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. The internal control system was designed to provide reasonable assurance to the Company's management regarding the preparation and presentation of the financial statements

The inherent limitations in all control systems are such that they can provide only reasonable, not absolute, assurance that all control issues and instances of fraud or error, if any have been detected. Therefore, no matter how well designed, ICFR has inherent limitations and can provide only reasonable assurance with respect to financial statement preparation and may not prevent and detect all misstatements.

As the Company is a Venture Issuer (as defined under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*) ("NI 52-109"), the Company and Management are not required to include representations relating to the establishment and/or maintenance of disclosure controls and procedures ("DC&P") and/or ICFR, as defined in NI 52-109.

Forward-looking Statements

This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below under "Risk Factors". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements

Additional information related to the Company is available for view on the Company's website located at [www.sokomaniron.com](http://www.sokomaniron.com).

**NATURE OF OPERATIONS AND GOING CONCERN**

Sokoman is a public Company listed on the TSX Venture Exchange (TSXV-SIC) and operating under the laws of the Province of British Columbia. The Company is an exploration-stage Company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The Company's registered head office is 82 Richmond Street East, Toronto, Ontario M5C 1P1.

These audited consolidated financial statements have been prepared on a going-concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at June 30, 2018, the Company has not generated any revenues from operations, has an accumulated deficit of \$11,757,064 (June 30, 2017 - \$11,234,842) and has working capital of \$497,698 (June 30, 2017 - \$139,260). The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that it has sufficient working capital to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing may be required but will not be available on a timely basis or on terms acceptable to the Company. These audited consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

The Financial Statements were approved for issuance by the Company's Board of Directors on October 29, 2018.

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**DEVELOPMENTS DURING AND SUBSEQUENT TO THE YEAR ENDED JUNE 30, 2018**

**August 23, 2017** - the Company announced that they had signed a Letter of Intent (LOI) with Metals Creek Resources Corp. to acquire up to 100% interest in the Clarks Brook Gold Property, located in central Newfoundland.

**Highlights of the property include:**

- 1) Maximum grab samples in boulders to 24.5 g/t gold; maximum in bedrock to 19.24 g/t gold;
- 2) the property is fully permitted for drilling;
- 3) project approved for financial assistance (JEA) from the provincial government;
- 4) Located on Central Newfoundland Gold Trend in structural corridor hosting Valentine Lake (Marathon Gold Corp.) and Antler Gold projects;

The Clarks Brook prospect was staked by vendor Metals Creek after a review of past work completed on the property and initial due diligence performed on the showing. The gold mineralization outlined on the Clarks Brook Property consisted of mineralized (silicified and disseminated pyrite/arsenopyrite bearing siltstone) angular boulders up to 3 meters in size initially discovered by Altius Minerals Corporation in 2004, and which has reported historic assays ranging from 2.98 g/t to 24.5 g/t gold. In 2009, Altius completed an Induced Polarization (IP) and Magnetics ground geophysical survey that outlined several targets but no drilling has been done on the geophysical or gold targets.

Subsequent field work by the vendor (MEK) resulted in the discovery in bedrock of similar style mineralization to that of the boulders returning a grab sample assay of 19.24 g/t gold. In addition, thirteen (13) of the large angular blocks were sampled and yielded assays ranging from 0.24 g/t to 10.4 g/t gold. Metals Creek has applied for and received drilling permits for the Clarks Brook Property.

To earn an initial 75% interest, Sokoman must make cash payments of \$45,000 over three years (no cash on signing) and issue a total of 3,000,000 Sokoman common shares over three years (500,000 shares issued) and incur work expenditures of \$800,000 over three years (\$100,000 by 1st anniversary). Sokoman will be the operator during the earn-in period. Once a 75% interest is earned by Sokoman, either a 75/25 joint venture will be formed, or Sokoman may elect to earn an additional 25% interest to bring its total property interest to 100%. The terms to increase its interest from 75% to 100% include payments of \$100,000 and the issuance of an additional 2,000,000 Sokoman shares within 60 days of the 3rd anniversary date.

**September 6, 2017** - the Company announced that prospecting has uncovered additional mineralized quartz float that has returned up to 1.39 g/t gold (Au) and 89.3 g/t silver (Ag) at East Alder, part of the Company's Central Newfoundland Gold Project (CNGP). Significantly, most of the mineralized material is confined to a 100 square metre area in the west central portion of the property (see attached map) where previous sampling has returned values of 0.62 g/t Au and 0.53 g/t Au. In addition, new soil anomalies have been identified in previously unexplored areas of the property with gold values up to 75 ppb Au.

The nature of the mineralization strongly resembles descriptions of the newly discovered Red Ochre Zone on the adjoining Antler Gold property (Antler Gold News Release August 30, 2017) where Antler has reported gold values of 24.0 g/t Au from quartz veined felsic volcanic rock close to the contact with the Rogerson Lake Conglomerate (RCL). Rock outcrops in the vicinity of Sokoman's new float samples are of RCL and are well south of the previously believed extents of the RCL, and close to the felsic volcanic contact. Disseminated pyrite with minor arsenopyrite and base metals occur in the quartz veins and stockworks within felsic volcanic rock

The Company has now received assay results\* for over 900 soil samples, 33 rock samples, as well as gold grain counts\* from 17 till samples from East Alder with another 100 soil samples and 12 till samples out for analysis. To date 14 trench and test pit targets have been identified and approved by the government for testing and more are expected as the last of the soil results has outlined new trenching targets. Sokoman has completed site preparation on a number of the existing targets but due to the imminent onset of winter, now expects trenching activities to begin in the second quarter of 2018.

The new cluster of rock samples from East Alder assay from 12 ppb to 1,054 ppb Au (1.05 g/t Au) along with silver (Ag) from 0.3 g/t to 66.3 g/t Ag, and anomalous lead (78 ppm to 1.83% Pb) and zinc (from 53 ppm to 1.17% Zn). The highest grade sample (1.39 g/t Au, 89.3 g/t Ag) was located in the southwest corner of the property where a float sample assaying 5.3 g/t Au, 380 g/t Ag was found earlier this season.

At Crippleback Lake, the Company has received assay results from 352 soil samples, 68 rock samples and gold grain counts from 48 till samples, and is compiling the results ahead of designing a trenching program for the second quarter of 2018. Soil sample results ranging from less than 5 ppb Au to a high of 73 ppb Au have been returned and till samples with up to 60 grains of gold have been received. The results at Crippleback suggest multiple gold targets over a 6 kilometre strike length of the structural corridor hosting Marathon Gold's (MOZ-T) Valentine Lake project and

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Antler

Gold's (ANTL-V) Wilding Lake project.

**September 28, 2017** - the Company announced the start of Phase 1 diamond drilling at Clarks Brook property in central Newfoundland. The property is highlighted by significant gold grades in both float and bedrock samples including a maximum of 24.5 g/t Au in float and a maximum of 19.24 g/t Au in bedrock.

The Company intends to drill up to 500 meters in 4-5 holes to test for mineralization at depths down to 50 meters vertically below surface. The program is expected to be completed by mid-October.

Timothy Froude, P. Geo., Interim CEO states, "We are very anxious to get underway at Clarks Brook as the work done to date, as well as observations of the mineralization, suggest a potentially broad target. This represents the first ever drilling on the property and we are fortunate to have this opportunity. The project also qualifies for funding assistance from the Province and we are grateful for that."

**October 27, 2017** the Company announced that it has completed Phase 1 drilling on the Clarks Brook Gold Property, located in central Newfoundland. The road accessible Clarks Brook prospect was staked by vendor Metals Creek (MEK) after a review of past work completed on the property and initial due diligence performed on the showing. The gold mineralization outlined on the Clarks Brook Property consists of mineralized angular boulders up to 3m in size initially discovered by Altius Minerals Corporation in 2004, and from which assays ranging from 2.98 g/t to 24.5 g/t gold were reported. Subsequent work, including Induced Polarization (IP) and Magnetics ground geophysical surveys outlined several targets, but no drilling took place. **Note: The historical assay results mentioned in this news release were grab samples which are selective by nature and are unlikely to represent average grades of the property).**

Sokoman completed approximately 515m of NQ sized core drilling in four holes which tested approximately 100m of strike length of the known mineralization at Clarks Brook. A total of 146 saw cut core samples ranging from 0.25 to 1.5m in length (average of 0.50m) were sent to Eastern Analytical Labs in Springdale, NL, for gold analysis, and results are expected in four to five weeks. All samples were cut by Sokoman personnel with ½ of the interval kept for future reference. The sampling focused on zones exhibiting extensive brecciation, silicification, quartz veining and sulphide mineralization similar in style to that observed in gold bearing surface samples reported by previous workers. It is estimated that the mineralized corridor intersected in the drilling ranges up to 40m in apparent thickness within which multiple, more intensely altered and mineralized intervals occur.

Timothy Froude, P. Geo., Interim CEO states; "The completion of Phase 1 drilling with 146 samples sent for assay, verifies the existence of a robust, and potentially significant, system at Clarks Brook. We eagerly await results from this phase and we will propose additional work if results warrant."

**November 9, 2017** the company announces a definitive agreement with Altius Resources Inc. (Altius) for the exclusive right to acquire a 100% interest (subject to an existing 0.5% NSR royalty) in Altius's high grade Moosehead Gold Project in central Newfoundland (the Option). The 98 claim (2450 ha) property has returned numerous significant drill intercepts\*, with highlights as follows:

- DDH MH-01-13 returned 11.05 g/t gold over 17.11 m from 38.00 m downhole;
- DDH MH-02-38 returned 14.07 g/t gold over 16.84 m from 74.38 m downhole;

The mineralization remains open along strike and to depth with the deepest intercept (MH-03-15) returning 277.96 g/t gold over 0.44 m starting at 257.26 m downhole. A total of 111 drill holes have been completed at the Moosehead property over a 2 km strike length of the 8.5 km long property with an average depth of only 108 m. True width of selected intercepts may vary between 30-100% of the reported interval. Structural analysis including information from the 2016 trenching and downhole televiewer analysis by Altius has provided a new interpretation of the structures controlling mineralization and concluded that most historic drilling on the property did not adequately test the mineralization. In addition, the source of mineralized float found during Altius' 2016 trenching program on the property, along with panned gold grains, remains unresolved.

The Moosehead property is strategically located in north central Newfoundland with the TransCanada Highway crossing the northern portion of the property, and Route 360 lying 1.2 kms northwest of the bulk of the previous drilling. The town of Grand Falls-Windsor lies 20 kms west of the property, and the town of Gander is located 75 kms

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to the east. The deep water port of Botwood lies 17 kms north of the property and secondary roads and drill trails offer excellent access

to virtually the entire property. Sokoman's recently acquired Clarks Brook Gold project lies 33 kms southeast of Moosehead where a Phase 1 drilling program (515 m) recently concluded and for which assay results are pending.

As consideration for the Option, Sokoman will issue to Altius the equivalent of 19.9% of the issued and outstanding common shares of Sokoman following the completion of a proposed private placement, such securities to consist of common shares and warrants to acquire common shares of Sokoman. Upon closing of the Option, Altius will become an insider of Sokoman. Sokoman has also committed to fund a minimum of \$500,000 in exploration expenditures as operator on the Moosehead project within the first year. Altius will retain a 1.5% NSR royalty and certain preferential rights on any future royalties or streams granted on the Moosehead property, and will be granted a pro rata right to participate in future equity financings of Sokoman for three years. Altius and Sokoman will have the right to include as part of the property any additional claims acquired by them within a two kilometre area of interest. Closing of the Option is subject to satisfaction of customary conditions, including the approval of the TSX Venture Exchange (Exchange) and, if applicable, shareholder approval, as well as the completion of, subject to Exchange approval, a minimum \$500,000 private placement. There can be no assurance that the Option will be completed as proposed or at all.

**November 27, 2017** the company announces a non-brokered private placement financing ("Financing") consisting of up to 3,333,333 flow-through units ("FT Units"), each FT Unit being issued at \$0.06 and consisting of one (1) Flow-through Common Share and one half (1/2) of a Common Share Purchase Warrant ("FT Warrant"), each full FT Warrant being exercisable at \$0.09 for 24 months, and up to 12,000,000 non flow-through units ("Units"), each Unit being issued at \$0.05 and consisting of a Common Share and a Common Share Purchase Warrant ("Warrant"), each Warrant being exercisable at \$0.07 for 36 months, for total gross proceeds of \$800,000.

The Common Shares comprising the FT Units and the Common Shares issuable upon exercise of the Common Share Purchase Warrants will be subject to a four (4) month hold period commencing on the Closing Date, being the date of issuance of the Units.

Proceeds from the Financing will be used to advance the Moosehead Gold Property (see the Company's news release November 9, 2017) and for general working capital purposes.

**December 1, 2017** the Company announces that, further to a new release dated November 27, 2017, it has filed documents with the TSX Venture Exchange ("the Exchange") seeking approval to close the first tranche of its previously announced non-brokered private placement (the "Placement") for gross proceeds of \$604,000, consisting of 11,720,000 non flow-through units at a price of \$0.05 per unit for gross proceeds of \$586,000 and 300,000 flow-through units at a price of \$0.06 per unit for gross proceeds of \$18,000.

Each flow-through unit under the Placement consists of one flow-through common share and one half warrant. Each full warrant will entitle the holder to purchase one additional non flow-through common share of the Company at an exercise price of \$0.09 during the 24 months from the closing date.

Each non flow-through unit under the Placement consists of one non flow-through common share and one whole warrant. Each warrant will entitle the holder to purchase one additional non flow-through common share of the Company at an exercise price of \$0.07 during the 36 months from the closing date.

All securities issued in the Placement are subject to a four month hold period. In connection with the Placement, the Company will issue 540,000 finders warrants having the same terms as the non-flow through warrants issued under the Placement, and pay finders fees and other commissions totaling \$27,000

**December 12, 2017** the Company announces that, further to a new release dated November 27, 2017, it has filed documents with the TSX Venture Exchange ("the Exchange") seeking approval to close the second and final tranche of its previously announced non-brokered private placement (the "Placement") for additional gross proceeds of \$103,900, consisting of 200,000 non flow-through units at a price of \$0.05 per unit for gross proceeds of \$10,000 and 1,565,000 flow-through units at a price of \$0.06 per unit for gross proceeds of \$93,900. The aggregate proceeds raised to date total \$707,900.

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All securities issued in the Placement are subject to a four month hold period. In connection with the Placement, the Company will issue 625,500 finders warrants having the same terms as the non-flow through warrants issued under the Placement, and pay finders fees and other commissions totaling \$32,130.

**December 21, 2017**, the Company announces the results from the Phase 1 drill program completed in late October 2017 at the Clarks Brook property in central Newfoundland. Selected highlights from the Phase 1 2017 diamond drill program are as follows

CB-17-1 5.58 g/t Au / 0.30 m (from 99.20m – 99.50m)  
and 1.65 g/t Au / 2.40 m (from 100.84m – 103.25m)

CB-17-2 5.46 g/t Au / 0.50 m (from 71.20m – 71.70)  
and 3.37 g/t Au / 3.00 m (from 127.75 – 130.75)  
incl. 4.63 g/t Au / 1.65 m (from 127.75 – 129.40)  
incl. 26.9 g/t Au / 0.25 m (from 127.75 – 128.00)

CB-17-3 0.38 g/t Au / 7.35 m (from 46.30 – 53.65)  
incl. 3.36 g/t Au / 0.50 m (from 51.40 – 51.90)

CB-17-4 1.55 g/t Au / 0.70 m (from 107.35 – 108.05)  
and 2.34 g/t Au / 1.55 m (from 117.00 – 118.55)

Sokoman's four hole, 515 m Phase 1 program, with hole depths ranging from 105 to 143 meters (-45 degree dips), was the first drilling to be completed on the property and all four holes intersected a variably mineralized structural zone carrying widespread and locally significant gold grades (see attached plan map and drill section). The location of the mineralized blocks (and outcrop) in a stream bed prevented previous operators from effectively trenching the mineralization. Other than grab sampling, the Phase 1 drilling was the first real attempt to evaluate the zone. Based on the four holes completed, the mineralization remains open along strike and to depth, and the company intends to commence a Phase 2 drilling program to begin in early 2018. In addition, examination of the core with assay results in hand identified the need for additional sampling which will be carried out in early 2018.

**December 29, 2017**, the Company announces that it has filed documents with the TSX Venture Exchange (the "Exchange") seeking approval for a non-brokered Flow-Through private placement (the "Placement") for gross proceeds of \$174,960 consisting of 2,916,000 flow-through units at a price of \$0.06 per unit. The purchaser is Pavilion Flow-Through L.P. (2017).

Each flow-through unit under the Placement consists of one flow-through common share and one half warrant. Each full warrant will entitle the holder to purchase one additional non flow-through common share of the Company at an exercise price of \$0.09 during the 24 months from the closing date. All securities issued in the Placement are subject to a four month hold period. In connection with the Placement, the Company will issue 109,350 finders warrants having the same terms as the flow through warrants issued under the Placement, and pay commissions totaling \$13,122.00.

**January 8, 2018**, the Company announces that, following TSXV approval, it closed the previously announced non-brokered Flow Through private placement (the "Placement") for gross proceeds of \$174,960 consisting of 2,916,000 flow-through units at a price of \$0.06 per unit. The purchaser is Pavilion Flow-Through L.P. (2017).

**February 7, 2018**, the Company announces that it has commenced Phase II drilling on the Clarks Brook Gold Property, located in central Newfoundland. The road accessible Clarks Brook prospect was staked by Metals Creek Resources Corporation (MEK) in late 2016 and subsequently optioned by Sokoman in late 2017 (see News Release August 23, 2017)

The Phase II program will test the mineralization along strike to the northeast, as well as a coincidental magnetic and IP chargeability anomaly 100 m east of the area drilled in Phase I, and similar in strength to the anomaly tested by Phase I.

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Timothy Froude, P. Geo., Interim CEO states; "Phase I verified the existence of locally significant in situ gold mineralization at Clarks Brook, the first holes to be completed on the property. The geophysical signature of the known mineralization appears to extend for several hundred metres to the edge of the surveyed area, and quite possibly beyond, and we have only tested 100 metres of the structure to date."

**February 21, 2018**, the Company announces that the Phase II drilling program at Clarks Brook has been completed and that core logging and sampling has commenced. The three hole, 594 metre program, was designed to test for additional zones of mineralization along strike and parallel to the mineralization intersected in the first program (completed in October 2017), and to determine whether additional funds should be directed towards this project.

Timothy Froude, P. Geo., Interim CEO states, "The recently completed Phase II program is critical to the future of our involvement with this project. Although only a limited program, the holes are all strategic, and will be instrumental in helping shape our plans moving forward. The preliminary review of the core suggests that all holes encountered variably altered and mineralized sediments, however, we must wait until final results have been received before making a decision on further work at Clarks Brook. Also, the NI 43-101 Form F1 technical report on the Moosehead property has been submitted to the TSX Venture Exchange by the Independent QP and that the Exchange has begun its review and initial comments are expected shortly."

The attached plan highlights the two areas tested with the Phase II drilling. Of particular interest is the magnetic target outlined to the northeast of the Phase I drilling. Phase I drilling suggests that the best mineralization, intersected in holes CB-17-1 and 2, is associated with a strong magnetic low signature (blue colour on the attached plan). This magnetic signature trends northeast of the known mineralization and appears to trend off of the surveyed area, suggesting a minimum distance of 400 metres. The northern property boundary is over 1 kilometre to the northeast, however, no detailed magnetics have been completed over most of this distance and the Company is considering, pending results of the Phase II drilling, extending the detailed grid to cover this area with magnetics and possibly Induced Polarization (IP) surveys.

At this point core logging and sampling of the new holes has just commenced, however, a preliminary review of the three holes indicates that silicified and quartz veined intervals with disseminated sulphides has been intersected in all holes, but lengths and significance of these intervals won't be known until all logging and sampling has been completed. This work is expected to take two weeks and an additional 6 to 8 weeks before assays are received.

**March 23, 2018**, the Company announces that the TSX Venture Exchange accepted for filing all of the documents in regard to the Moosehead property transaction as previously announced on November 9, 2017. Sokoman has also issued the share payment and related warrant certificate to Altius Minerals Inc. (Altius) consisting of 7,754,371 common shares and 1,428,571 share purchase warrants. Upon closing, Altius will hold a total of 9,182,942 common shares of Sokoman Iron Corp. which represents 19.9% of the outstanding shares of Sokoman at the time of the closing of Sokoman's November 2017 financing. The issued share purchase warrants have a strike price of 5 cents good for three years after the date of the closing.

**April 5, 2018**, the Company announces that all holes in the Phase Two program at Clarks Brook intersected gold mineralization including a second previously unknown zone, which returned the highest grades of the program. Diamond drill hole CB-18-5 intersected bleached and locally clay altered conglomerate cut by a network of narrow pyritic quartz veinlets that returned 3.74 g/t gold over 3.10 metres including 14.73 g/t gold over 0.60 metres.

This is the first time that gold mineralization has been observed in conglomeratic units. The Company now believes that many of the previous holes may have been shut down prematurely based on the understanding that gold mineralization observed to date on the property was historically hosted only in finer-grained rocks such as siltstone and sandstone. Therefore, gold mineralization at Clarks Brook may be much more extensive than originally thought. The conglomerate-hosted zone intersected in CB-18-5 lies approximately 100 metres east of, and across strike from, the discovery zone intersected in the 2017 drilling.

Sokoman's Phase Two 594-metre (NQ) program with hole depths ranging from 172 to 213 metres (-40 to -52 degree dips) continued testing a strong magnetic low feature which appears to host the gold mineralization at Clarks Brook. Gold mineralization has now been intersected in all seven holes completed to date and the mineralization, including a second zone, intersected in CB-18-5, remains open in all directions.

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**April 25, 2018**, the Company announces that the modelling of historical diamond drilling carried out at Moosehead from 1996 to 2004 is underway and when complete, will help the Company prioritize and plan for a Phase I drilling program which is expected to begin in mid-May. The revised 3-D model will incorporate three phases of drilling completed between 2002 and 2004 after the original modelling was done in early 2002.

The Company has also submitted permit applications for the forthcoming diamond drilling program and permits are expected to be in hand in 4-6 weeks. The Phase I program will consist of up to 2000 metres of drilling and will have

three objectives; to expand on the near surface high grade mineralization previously identified, to test the deeper high grade which has been tested by only a single hole (MH-03- 15), and to test high priority coincidental soil and mineralized float identified along trend of the main zones of mineralization. Structural analysis including information from the 2016 trenching and downhole televiewer analysis by Altius has provided a new interpretation of the structures controlling mineralization and concluded that most historic drilling on the property did not adequately test the mineralization.

**May 25, 2018**, the Company announces that it has received from Minorex Consulting Limited ('Minorex') of Aldergrove, B.C. an updated model of the gold-bearing mineralization within the Moosehead Project All historic drilling (110 holes) has now been modelled, and this work has identified a number of targets that the company will now test with a Phase I, 2,000-metre diamond drilling program. A total of 20 holes have been proposed of which 11 holes (1,310 m) are considered First Priority. The remaining 690 meters will be distributed among the Second Priority and reconnaissance targets. The drilling program will focus on three main target areas at Moosehead, specifically the Western and Eastern Trends (see attached plan map), and the reconnaissance targets.

The program will start with verification and expansion of the near surface (less than 50 m deep) high grade mineralization in the Western Trend, intersected in multiple historical holes including MH-01-13, MH-01-23, etc. as tabled below\*. The modeling also took into account the results of the 2016 structural study completed at Moosehead which suggested that many of the previous drilling programs were not oriented to optimally test the mineralization. The proposed holes in the Phase I program (except for the deep target), will be oriented to test the findings and recommendations of the structural study. The distribution of the First Priority holes was also designed with consideration for any future resource estimates that may be completed at Moosehead.

The second aspect to be tested will be the depth potential of the mineralization beneath the near surface mineralization (between 50 and 150 m depth), including the lone "deep" intercept in MH-03-15 (Eastern Trend) returning 2.35 m grading 53.36 g/t Au including 0.45 m grading 277.96 g/t Au at a down hole depth of 255.36 m.

The company also plans to test, with two to three reconnaissance holes, areas of anomalous soil geochemistry (values ranging from less than detection to 79 ppb Au) and unsourced float (sample 12159 that assayed 180 g/t Au) lying to the north and east of the main zone of mineralization and believed to indicate a source(s) independent of the main zone. (Note: soil and rock sample values stated are historical in nature and not verified by Sokoman Iron.)

**May 30, 2018**, the Company announced it received Exploration Approval from the provincial Department of Natural Resources, and can now proceed with the proposed 2,000-metre Phase I diamond drill program at the Moosehead Gold project in central Newfoundland. A crew has been mobilized and will begin site preparations immediately with first core expected in about 2 weeks.

The program will have three main objectives (see May 25, 2018 News Release): focusing on the near surface (less than 50 m deep) high-grade historical intercepts\* in the Western Trend including historical results of 27.74 g/t Au over 5.58 m starting at 33.92 m in MH-01-13 (including 96.71 g/t Au over 1.50 m); high-grade historical intercepts in the Eastern Trend (53.36 g/t Au over 2.35 m starting at 255.36 m including 277.96 g/t Au over 0.45 m), as well as selected reconnaissance targets defined by anomalous soil geochemistry (values ranging from less than detection to 79 ppb Au) and unsourced float (sample 12159 that assayed 180 g/t Au) lying to the north and east of the main zone of mineralization and believed to indicate a source(s) independent of the main zone. (Note: core, soil and rock sample values stated are historical in nature and not verified by Sokoman Iron.)

**June 18, 2018**, the Company announced it has mobilized a diamond drill rig to commence Phase I diamond drilling at the Moosehead Gold project in central Newfoundland. The 2,000-metre program will consist of 12 to 15 holes and is expected to take 5-6 weeks to complete.

The company intends to complete downhole televiewer (camera) logging of selected drill holes to determine key structural information and mineralized vein orientations. The observations from the televiewer survey, to be completed

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by DGI Geoscience Inc. of Toronto, Ontario, will aid in follow up drill hole placement, azimuth and dip. Expected turnaround time for assay results is three to five weeks. The company will report assays in batches once they have been compiled and interpreted.

**June 28, 2018**, the Company announced that the first hole completed in its Phase I, program, MH-18-01, encountered a 1.35 metre (core length – see Note 1) quartz vein that contained a minimum of 50 specks of visible gold ranging from less than a millimetre to 2 millimetres in diameter. This new vein was encountered at a down hole depth of 115.25 m (vertical depth of 80 metres) approximately 80 metres up-hole from the intended target of the drill hole. The hole

continued to its target depth and was successful in cutting a 0.55 metre (core length) vein with 6 specks of visible gold approximately 15 metres up-dip from the planned target depth. The location and apparent orientation of the new vein suggests that it represents a new high-grade target on the property. Saw cut samples have been taken from the gold bearing zones and have been sent for total pulp metallic analysis and fire assaying at Eastern Analytical Limited in Springdale, Newfoundland (see Note 2)

Drill hole MH-18-01 was drilled to test the up-dip potential (50 metres up-dip) of a historical intercept in 2003 by Altius Resources Inc. that returned 278 g/t Au over 0.45 metres (see Note 3) at a depth of 257 metres downhole (200 metres vertically) in MH-03-15. The Altius intercept is the deepest intersection on the property. Maps, photos and other information will be posted on the website in the coming days as they get produced. Prior to completing any additional drilling on this discovery, the Company intends to await assays and complete a downhole televiwer survey in order to plan future drilling on the new zone. The current program will consist of approximately 2000 meters in 12 to 15 holes and is expected to take 5-6 weeks to complete and will now focus on the shallow (less than 50 metre depth) mineralization in the Western Trend (May 25, 2018 News Release).

**July 24, 2018**, the Company announced that it has received assay results from drilling recently completed at the Moosehead Gold Project in Central Newfoundland. The Company has completed a total of 1970.5 m in 15 holes as proposed in its Phase I program. Assay results have been received for the first three holes and the results confirm that the Company has made a high-grade discovery in an area with little previous drilling.

The Company's first hole, MH-18-01, intersected a mineralized zone that has returned the following summarized assays: from 109.00 m – 120.90 m (11.90 m @ 44.96 g/t Au).

Timothy Froude, P. Geo., Interim CEO, states: "We are very pleased with our initial results from the Moosehead Project. The significance of MH-18-01 lies not only with the exceptional grades of the gold-bearing quartz vein, but that for at least 5 m up-hole and down-hole of the vein, significant assays were also reported. The 17 samples comprising the 11.90 m intercept included nine samples returning greater than 1.0 g/t Au. The area surrounding MH-18-01 will be prominent in our distribution of drill holes in Phase II."

Note: A table of compiled results to date is shown below. True thickness of above noted intercept is believed to be 80% of core length. All other intercepts range from 50% to 90% of core length.

| DDH #    |       | From (m) | To (m) | Core Length (m) | Au (g/t) |
|----------|-------|----------|--------|-----------------|----------|
| MH-18-01 |       | 109.00   | 120.90 | 11.90           | 44.96    |
|          | incl. | 115.25   | 120.90 | 5.65            | 93.56    |
|          | incl. | 115.25   | 116.60 | 1.35            | 385.85   |
|          | and   | 157.65   | 166.60 | 8.95            | 4.20     |
|          | incl. | 157.65   | 158.98 | 1.33            | 19.72    |
| MH-18-02 |       | 28.80    | 35.65  | 6.85            | 0.50     |
|          |       | 48.35    | 51.65  | 3.30            | 6.76     |
|          | incl. | 50.45    | 51.65  | 1.20            | 12.59    |
| MH-18-03 |       | 18.65    | 25.07  | 6.42            | 8.18     |
|          | incl. | 23.90    | 25.07  | 1.17            | 35.31    |
|          | and   | 37.60    | 40.05  | 2.45            | 1.06     |

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**July 30, 2018**, the Company announced that it intends to complete a non-brokered private placement consisting of 20,000,000 Units at a price of \$0.15 per Unit for gross proceeds of up to \$3,000,000, subject to approval of the TSX Venture Exchange. Each Unit will consist of one common share ("Common Share") and one Common Share purchase warrant ("Warrant"). Each Warrant is exercisable into one Common Share at a price of \$0.25 per share for a period of two years from closing. There are three placees, Eric Sprott will subscribe for 13.35 million Units, Palisade Global will subscribe for 4.1 million Units, and Venture Ad Network will subscribe for 2.6 million Units. There are no finders fees associated with the transaction.

Timothy Froude, P. Geo., President and CEO, states: "We are very pleased to welcome Eric Sprott and Palisade Global into our family of shareholders. Eric Sprott is a renowned and respected leader in the investment community and one of the world's premiere precious metals investors and is currently Chairman of Kirkland Lake Gold. His participation in our financing speaks to the potential of our assets, in particular the high-grade Moosehead Gold Project. Palisade Global is a leading entity in finance and development of mining interests around the world and will help advise Sokoman in delivering our story to a global audience."

The proceeds of the financing will be used to advance the Company's flagship Moosehead Gold Project where multiple targets remain untested as well as follow up drilling following a successful Phase I program. A portion of the funds will be directed to the Company's other gold properties in Newfoundland, and for general working capital purposes.

**August 15, 2018**, the Company announced that the TSX Venture Exchange has accepted for filing documents to close the previously announced non-brokered private placement (the "Placement") for total proceeds of \$3,001,500 consisting of 20,010,000 units at a price of \$0.15 per unit. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at a price of 25 cents per share for a period of two years from closing. There are three placees, Eric Sprott, through his holding company 2176423 Ontario Ltd subscribed for 13.35 million Units (\$2.0 million), Palisade Global subscribed for 4.1 million Units (\$0.6 million), and Venture Ad Network subscribed for 2.56 million Units (\$0.4 million). All securities issued pursuant to the Placement are subject to a 4-month hold period. There are no finders' fees associated with the transaction.

**August 29, 2018**, the Company announced that it has received assay results from the remaining 12 holes completed at the Moosehead Project in Central Newfoundland, with holes MH-18-07 and MH-18-08 intersecting near surface, high-grade visible gold veins highlighted by MH-18-08 intersecting two vein zones assaying 1.05 m @ 207.51 g/t Au from 8.50 m downhole, and 2.28 m @ 42.36 g/t Au from 33.07 m downhole.

Diamond drill holes MH-18-04 to MH-18-13 focused on the Western Trend (see attached drill plan) approximately 250 m west of the Eastern Trend. Eight of the 15 holes completed in Phase 1 reported visible gold-bearing quartz vein zones. Highlights of the remaining holes are shown in the following table, and a more detailed set of results can be found at the end of this news release including additional intercepts in MH-18-01.

| DDH #           | Total Depth     | Target               |      | From (m)     | To (m)       | Core Length (m) | Au (g/t)        | Visible Gold |
|-----------------|-----------------|----------------------|------|--------------|--------------|-----------------|-----------------|--------------|
| MH-18-04        | 103.00 m        | Western Trend        |      | 49.85        | 53.25        | 3.40            | 2.60            | Y            |
|                 |                 |                      | incl | 51.82        | 53.00        | 1.18            | 5.06            |              |
| MH-18-05        | 78.50 m         | Western Trend        |      | 47.35        | 48.50        | 1.15            | 3.13            | Y            |
|                 |                 |                      | incl | 47.35        | 47.70        | 0.35            | 9.73            | Y            |
| MH-18-06        | 100.00 m        | Western Trend        |      | 43.00        | 47.50        | 4.50            | 3.50            |              |
|                 |                 |                      | incl | 43.00        | 44.00        | 1.00            | 10.62           |              |
| <b>MH-18-07</b> | <b>76.00 m</b>  | <b>Western Trend</b> |      | <b>7.00</b>  | <b>9.25</b>  | <b>2.25</b>     | <b>6.19</b>     | Y            |
|                 |                 |                      | incl | <b>7.50</b>  | <b>8.70</b>  | <b>1.20</b>     | <b>10.00</b>    |              |
|                 |                 |                      |      | <b>18.20</b> | <b>24.05</b> | <b>5.85</b>     | <b>2.79</b>     | Y            |
|                 |                 |                      | incl | <b>18.20</b> | <b>19.00</b> | <b>0.80</b>     | <b>14.66</b>    |              |
| <b>MH-18-08</b> | <b>103.00 m</b> | <b>Western Trend</b> |      | <b>8.50</b>  | <b>9.55</b>  | <b>1.05</b>     | <b>207.51</b>   | Y            |
|                 |                 |                      | incl | <b>9.05</b>  | <b>9.20</b>  | <b>0.15</b>     | <b>1,435.58</b> | Y            |
|                 |                 |                      |      | <b>33.07</b> | <b>35.35</b> | <b>2.28</b>     | <b>42.36</b>    | Y            |
|                 |                 |                      | incl | <b>33.07</b> | <b>33.62</b> | <b>0.55</b>     | <b>131.65</b>   | Y            |

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|          |          |               |      |       |       |      |       |   |
|----------|----------|---------------|------|-------|-------|------|-------|---|
| MH-18-13 | 247.00 m | Western Trend |      | 65.20 | 66.65 | 1.45 | 8.94  | Y |
|          |          |               | incl | 65.20 | 65.50 | 0.30 | 37.33 | Y |

Timothy Froude, P. Geo., President and CEO, states: "Results from Phase 1 have surpassed our expectations and have given us great cause to be optimistic about the future. The recent financing has provided us with the opportunity to thoroughly evaluate the Moosehead property and to unlock its full potential. Like many structurally controlled gold deposits, this will entail a lot of drilling - likely, closely spaced. Phase 2 will focus on the Eastern Trend's high-grade mineralization intersected in MH-18-01, and continue to build on open-ended zones of mineralization in the Western Trend as well as other areas of the property.

**September 5, 2018**, the Company announced that it has engaged CHF Capital Markets ("CHF"), a highly-regarded Canadian investor relations and capital markets firm.

Mr. Tim Froude, President and CEO of Sokoman, commented: "We are delighted to be working with CHF again as our previous experience was excellent. Cathy and her team have demonstrated not only a solid understanding and appreciation of the junior mining industry, a critical element when dealing with the investing public, but they are also up-to-date with the emerging social and digital media world. Their knowledge and professionalism will serve Sokoman well during this busy time."

Effective immediately, the services agreement for investment community outreach, corporate communications, design and social and digital marketing is for a fixed term of twelve months ending August 31, 2019. Thereafter, the contract may be extended month to month with a two months cancellation notice. Under the terms of the agreement, which is subject to TSX Venture Exchange approval, CHF will receive \$6,250 per month in fees and reimbursement of approved expenses. A share option grant will be discussed at an upcoming Board meeting. Company options vest quarterly over twelve months and have a five-year term. Upon termination of the services agreement, options will be cancelled after 30 days, as required by the TSXV.

**September 10, 2018**, the Company announced that Peter Dimmell, P.Geo, has joined the Board of Directors. Mr. Dimmell is a geologist and prospector who has been involved in mineral exploration in North America (Canada, Mexico and the US) and overseas for 47 years. He is a professional geoscientist (P.Geo) registered in NL and ON and is a Fellow of Geoscientists Canada (FGC).

Mr. Dimmell is a past president (2004-06) of the Prospectors and Developers Association of Canada (PDAC), a past Chairman, and a past executive director of Mining Industry NL, a member and past councillor of the Geological Association of Canada (GAC), a member of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), and an associate member of the Association of Applied Geochemists (AAG) and the Society of Economic Geologists (SEG). He has served on the Boards and associated Board committees of both TSX and TSX-V listed companies.

"I have known Peter Dimmell most of my geological career and in that time he has been a trusted friend and mentor, so it gives me great pleasure to welcome Peter to our Board of Directors. Having had such vast experience working in the Canadian exploration industry and in particular our own Newfoundland, he certainly has a lot to bring to the table. I am honoured to have him aboard," commented Timothy Froude, President & CEO of Sokoman Iron Corp.

The Company will be issuing stock options to directors and officers of the Company that will vest in accordance with TSX.V Exchange rules and guidelines.

Exercise of Warrants

Sokoman is also pleased to announce that the Company has exercised 13.1 million warrants at \$0.05– \$0.09 per warrant. The proceeds of \$827,000 are expected to be applied toward Phase 2 drilling program at the Moosehead Project as well as general corporate and working capital needs of the Company. The Company currently has \$3.7 million in the treasury and no debt.

**September 13, 2018**, the Company announced that Mr. John Ryan has resigned as CFO and Director of the Company to pursue other opportunities, effective immediately. Mr. Ryan will stay on as a consultant to ensure the yearend audit is completed on time. The Company extends its thanks to John and wishes him well in the future. Sokoman is pleased to welcome Mr. Eric Myung as its new CFO. The transition is expected to be seamless and orderly.

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Mr. Myung is a Senior Financial Analyst of Marrelli Support Services Inc. and has previously worked in a public accounting firm focused on small and medium business for seven years. Mr. Myung is a Canadian Chartered Professional Accountant and has a Master of Accounting degree from University of Waterloo.

Issuance of Incentive Stock Options

The Company announces that, in accordance with its stock option plan and subject to regulatory approval, it has granted 3,950,000 incentive stock options, exercisable at \$0.16 for a period of 5 years to directors, officers, employees and consultants of the Company.

**September 19, 2018**, the Company announced that it has awarded the Moosehead Project Phase 2 diamond drilling contract to Springdale Forest Resources (Diamond Drilling Division) of Springdale, NL, and that site preparations will begin immediately.

The proposed program will consist of up to 10,000 metres of NQ-sized core utilizing two diamond drill rigs operating 24 hours a day with two shifts per rig. At least 50% of the proposed meterage will focus on the Eastern and Western Trends to follow up and expand on the very successful Phase 1 program completed last month, with the exact number of holes to be determined by results received.

Rig #1 is expected to commence drilling on or about October 1, 2018 and will focus on the Eastern Trend area immediately surrounding the high-grade intercept from MH-18-01 which cut 11.90 m @ 44.96 g/t Au (core thickness) from the Eastern Trend (see NR July 24, 2018). A series of approximately 15 m to 25 m spaced bracket and undercut holes will be completed to depths of 250 to 300 metres to establish a strike, dip and/or plunge of the high-grade intercept reported from MH-18-01. These same holes will also target the historical intercept from MH-03-15 of 0.45 m of 278 g/t Au from drilling completed in 2003, which remains the deepest intercept to date (200 m vertically) on the property, and which was the original target of MH-18-01.

Rig #1 will also expand on open-ended mineralization in the Western Trend testing for extensions of near surface (less than 50 metres depth), high-grade gold bearing quartz veins similar to veins intersected by MH-18-08 which cut two vein zones assaying 1.05 m @ 207.51 g/t Au from 8.50 m downhole, and 2.28 m @ 42.36 g/t Au from 33.07 m downhole (see NR August 29, 2018).

Rig #2 will commence drilling approximately one week after Rig #1 and will be largely testing high-priority targets outlined by historical drilling elsewhere along the two-kilometre-long, roughly north south trending North Pond, South Pond and Discovery Faults. A total of 20-30 holes ranging from 100 to 300 metres in depth will test targets up to one kilometre north and south of the core area defined by the Western and Eastern Trends. The Western Trend is located between these key faults while the Eastern Trend appears to lie just east of the main structures and may be lying on a previously unrecognized structure. These targets include multiple historical drill holes that reported visible gold but had limited or no follow-up drilling. Additional details will be provided once the rig has been mobilized to the property.

The program is expected to take two months to complete, however, certain targets may be more effectively and environmentally responsibly tested when the ground is frozen. These holes will be added to a Phase 3 program which would begin in early 2019 once all results from Phase 2 have been received and compiled. The Company expects to release drilling results in batches as the program progresses.

**October 1, 2018**, the Company announced that the first of two diamond drill rigs have been mobilized to the Moosehead Gold Project and will begin core drilling immediately.

The proposed program will consist of up to 10,000 metres of NQ-sized core utilizing two diamond drill rigs operating 24 hours a day with two shifts per rig. At least 50% of the proposed meterage will focus on the Eastern and Western Trends to follow up and expand on the very successful Phase 1 program completed last month, with the exact number of holes to be determined by results received.

Results of Operations

The Company has no operating revenues and relies on external financings to generate capital. Because of its activities, Sokoman incurs net losses. For the year ended June 30, 2018, Sokoman incurred a loss of \$522,070

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versus a loss of \$367,309 for the year ended June 30, 2017. Exploration expenses were significantly higher as the Company worked properties acquired in 2017 and 2018. Write down of mineral properties was \$78,538 during 2018.

The Company routinely monitors its operations and costs associated with those operations in order to better plan and implement its activities, taking into consideration the current economic climate and industry outlook. For the year ended June 30, 2018, Sokoman reported total general and administrative expenses ("G&A") of \$123,082 compared to \$78,160 in 2017. Promotion, management fees and salary expenses account for most of the increase.

The following schedule details the main components of G&A for the years ended June 30, 2018 and June 30, 2017:

| <b>Year ended June 30,</b> | <b>2018</b> | <b>2017</b> |
|----------------------------|-------------|-------------|
|                            | \$          | \$          |
| Promotion                  | 12,499      | 5,212       |
| Filing fees                | 11,528      | 17,547      |
| Professional fees          | 22,000      | 16,000      |
| Shareholder relations      | 3,907       | -           |
| Salaries                   | 13,950      | 5,655       |
| Office and general         | 14,502      | 8,002       |
| Management fees            | 44,500      | 25,500      |
| Amortization               | 196         | 244         |
|                            | 123,082     | 78,160      |

|                         | QUARTER ENDED |           |           |          |
|-------------------------|---------------|-----------|-----------|----------|
|                         | 30-Jun        | 31-Mar    | 31-Dec    | 30-Sep   |
|                         | 2018          | 2018      | 2017      | 2017     |
| Total assets            | 1,430,367     | 1,548,381 | 1,316,376 | 607,611  |
| Mineral properties      | 860,316       | 913,595   | 490,992   | 474,940  |
| Working capital         | 497,698       | 590,613   | 744,878   | 44,296   |
| Shareholders' equity    | 1,364,842     | 1,500,775 | 1,242,896 | 526,721  |
| Income (loss)           | (145,419)     | (167,546) | (115,307) | (93,798) |
| Income (loss) per share | (0.003)       | (0.003)   | (0.003)   | (0.003)  |

|                         | QUARTER ENDED |          |          |          |
|-------------------------|---------------|----------|----------|----------|
|                         | 30-Jun        | 31-Mar   | 31-Dec   | 30-Sep   |
|                         | 2017          | 2017     | 2016     | 2016     |
| Total assets            | 676,518       | 733,936  | 416,876  | 387,295  |
| Mineral properties      | 455,815       | 455,815  | 327,315  | 313,215  |
| Working capital deficit | 139,260       | 207,256  | 19,395   | 4,510    |
| Shareholders' equity    | 603,019       | 671,623  | 355,869  | 327,492  |
| Net loss                | (68,606)      | (60,205) | (27,124) | (51,172) |
| Loss per share          | (0.003)       | (0.002)  | (0.001)  | (0.002)  |

**Liquidity and Capital Resources**

As at June 30, 2018, the Company had cash, receivables and security deposits of \$556,021 (June 30, 2017 - \$212,759) and working capital of \$497,698 (June 30, 2017 - \$139,260).

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The ability of the Company to continue operations and carry out further desired exploration activities in fiscal 2018 is dependent upon obtaining additional financing and/or selling or joint venturing its exploration properties. The Company is actively assessing its opportunities in this regard and will decide its course of action as its needs arise.

**Selected Annual Information**

The following table sets forth a summary of the financial results for the years ended June 30, 2018, 2017 and 2016:

| <b>Years ended June 30 (CDN \$)</b> | <b>2018</b> | <b>2017</b> | <b>2016</b> |
|-------------------------------------|-------------|-------------|-------------|
| Net loss                            | 522,070     | 364,309     | 172,949     |
| Basic loss per share                | 0.012       | 0.014       | 0.01        |
| Total assets                        | 1,430,367   | 676,518     | 336,961     |

The Company is an exploration stage Company with its focus on identifying, acquiring and exploring mineral interests. To date, the Company has not been in a position to derive any revenues from its projects. Acquisition costs of mineral rights and option payments are capitalized until the properties are abandoned or the rights expired. Exploration expenditures, however, are expensed and charged to operations until such time proven reserves are determined. To date, the Company has not discovered any such reserves.

**Mineral Properties**

**Moosehead** - acquired 100% of the property during the 2018 fiscal year. This property consists of 98 claims. The Company issued 7,754,371 common shares and issued 1,428,571 share purchase warrants. The purchase warrants have a strike price of \$0.05 per share and expire in three years, March 17, 2021. The property is subject to a 2.0% NSR Royalty including 1.5% to the vendor and a 0.5% NSR royalty to an arms length 3<sup>rd</sup> party. The Company must incur \$500,000 in exploration expenditures on the property within twelve (12) months. The Company expects to exceed the \$500,000 minimum expenditures in advance of the 12 month deadline.

**Clarks Brook Gold Property**

The Company has acquired up to 100% interest in the Clarks Brook Gold Property, located in central Newfoundland.

To earn an initial 75% interest, Sokoman must make cash payments of \$45,000 over three years (no cash on signing) and issue a total of 3,000,000 Sokoman common shares over three years (500,000 shares issued) and incur work expenditures of \$800,000 over three years (\$100,000 by 1st anniversary). Sokoman will be the operator during the earn-in year. Once a 75% interest is earned by Sokoman, either a 75/25 joint venture will be formed, or Sokoman may elect to earn an additional 25% interest to bring its total property interest to 100%. The terms to increase its interest

from 75% to 100% include payments of \$100,000 and the issuance of an additional 2,000,000 Sokoman shares within 60 days of the 3rd anniversary date. The Company has expended the required \$100,000 required by the First anniversary and has also issued the First Year anniversary share payment of 750,000 shares. A cash payment of \$10,000 was also paid on the First Anniversary of the Agreement.

**Central Newfoundland Gold Project**

The Company has acquired through a combination of staking and option, the central Newfoundland Gold Project (CNGP) which consists of three separate properties, the Crippleback Lake, Princess Lake and East Alder properties in central Newfoundland. Consideration for Crippleback Lake includes a total cash of \$34,500 (Paid \$3,450) and share payments totaling 600,000 (Issued 150,000 shares) over a three-year option agreement. The vendors will retain a 2% NSR with a buyback of 1% for \$1 million as well as a 1% NSR on Sokoman's contiguous claims with a \$500,000 cash buyback of 0.5%. The vendors will also receive 10% of the value of any third party transaction Sokoman completes on the property, as well as first consideration for any eligible field work. Phase 1 and 2 soil and till sampling as well as prospecting surveys have been completed over all three components of the CNGP. With the exception of the Princess Lake property, anomalous values in soils as well as strong gold grain counts were received from work on Crippleback and East Alder with locally moderately anomalous gold values from grab sampling, of which at least 20 targets have been identified for possible trenching in 2018.

**Princess Lake** – this property was acquired for a total of 1.2 million shares payable in three tranches of 400,000 shares payable on signing (400,000 issued), and 400,000 on each of the first – 400,000 issued and second

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anniversaries of the agreement. The vendors retain a 2% NSR with a buyback of 1% for \$1 million. Prospecting and soil sampling surveys failed to return any significant values and management decided to return property to the vendor.

**East Alder** – this property consists of 30 claims in two licenses and two separate agreements, one with Benton Resources Inc., and the second with a private consortium (Unity Resources). The Benton property was acquired for an initial share payment of 1 million shares on signing and \$1,500 in cash, with 500,000 share payments due on the first anniversary (issued) and second anniversary of the agreement. Benton Resources also retains a 2% NSR of which 1% can be purchased for \$1 million. In addition, Sokoman must pay a total of \$600,000 in cash/shares upon reaching certain project milestones as follows:

- 1) \$100,000 payment upon completion of a NI 43-101 compliant resource in cash/shares/or mix;
- 2) \$200,000 payment upon completion of a pre-feasibility in cash/shares/or mix;
- 3) \$300,000 payment upon completion of a final/full/bankable feasibility

**The Unity Resources block** - was acquired for an initial \$5,000 cash and a 750,000 shares payment on signing, with additional 650,000 shares (issued) on the first anniversary of the agreement. The vendors retain a 2% NSR of which half (1%) can be purchased for \$1 million cash. In addition to the above payments, Sokoman agrees to pay the vendors:

- 1) \$100,000 payment upon completion of a NI 43-101 compliant resource in cash/shares/or mix;
- 2) \$200,000 payment upon completion of a pre-feasibility in cash/shares/or mix;
- 3) \$300,000 payment upon completion of a final/full/bankable feasibility

A total of 14 trench and test pit targets have been identified on East Alder and trenching has been proposed for the second or third quarter of 2018. Work on the East Alder project has been postponed indefinitely.

**Crippleback**

The Company acquired through a combination of staking (130 claims) and option (30 claims), the Crippleback Lake Property in central Newfoundland. Consideration includes total cash of \$34,500 and share payments totaling 600,000 over a three-year option agreement. The vendors will retain a 2% NSR with a buyback of 1% for \$1 million as well as a 1% NSR on Sokoman's contiguous claims with a \$500,000 cash buyback of 0.5%.

The vendors will also receive 10% of the value of any third party transaction Sokoman completes on the property, as well as first consideration for any eligible field work.

To date a total of 352 soil, 68 rocks, 8 stream sediment samples and 48 till samples have been collected from the property during three phases of work. Rock samples collected included a variety of mineralized bedrock and float samples, including quartz veins and altered intrusive, volcanic, and sedimentary rocks, all of which exhibited varying degrees of sericite/silica/sulphide (mainly pyrite) alteration/mineralization, however, several samples carried disseminated chalcopyrite, galena as well as malachite (copper oxide) staining.

The soil, rock and stream sediment samples were shipped to Eastern Analytical Ltd., in Springdale, NL, for Au and 34 element ICP analysis, whereas the till samples will be shipped to Overburden Drilling Management (ODM) in Ottawa for processing including gold grain analysis and a fire assay (+ ICP) analysis at an accredited lab. The results have identified multiple areas of anomalous soils and gold grain counts from tills which will require mechanized trenching to fully investigate these anomalous areas. In addition, the highest rock sample assay of 1.7 g/t gold was collected during the final phase of work and also requires follow up work. The rock sample was collected from the north shore of Caribou Pond adjacent to a swampy area that was not covered by the current soil or till surveys, and approximately 1500 meters east of the till sample that returned 57 gold grains, including 43 that were described by Overburden Drilling Management as pristine in character. Pristine grains are considered proximal to their source (50 to < 200 meters transport) suggesting a possible bedrock source(s) on the Crippleback Lake property.

The company has completed follow up soil sampling over portions of the property underlain by the structural corridor that are covered by swampy ground. Locally anomalous soil results up to 35 ppb were reported from samples collected in the Grid B and C areas. Trenching of existing targets (8 to 10 currently) has been postponed until Q3 or Q4 2019.

**Startrek**

The Company acquired 100% interest in two antimony/gold properties in northeastern Newfoundland, the Star Trek and Antimony Ridge properties. The Company has issued two million common shares of Sokoman Iron Corp. The property is subject to a 2-per-cent net smelter returns royalty to the vendors. This acquisition agreement is with parties related to a Director. The company completed ground magnetometer and soil geochemical surveying in the

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first quarter of 2015 and has since received the analytical results. The survey outlined a significant antimony-in-soil geochemical anomaly over 500 meters in length and within which samples returned up to 4500 ppm antimony. In September, 2015, the company initiated a trenching program in an effort to explain some of the anomalies. Two of the four trenches failed to reach bedrock and therefore failed to explain the soil anomalies. A third trench reached bedrock in the vicinity of the 4500 ppm Sb soil anomaly but encountered very weak antimony mineralization possibly due to the highly sheared and fractured shale and slate bedrock. The best results were obtained from Trench 1 which exposed several meters of sulphide enriched (pyrite, stibnite and arsenopyrite) named the Red Fox Zone, that returned significant assays of 1.45% Sb over 3.25 meters including 3.10% Sb over 1.25 meters. The company has completed a 300 meter Phase 1 diamond drilling program during the third quarter of 2016 and results were successful in identifying potentially significant sediment hosted antimony (Sb) mineralization including 1.62% Sb over 1.0 meters from ST-16-01 within a broader zone of mineralization including 0.38% Sb over 5 meters with all samples in the interval reporting anomalous gold from 30 to 180 ppb Au. The company is considering additional soil sampling as well as potentially trenching significant (>100 ppm Sb) soil anomalies that are untested.

### **Iron Horse**

The Iron Horse project is located approximately 120 kilometers Northeast of Labrador City, Labrador. A 50:50 joint venture agreement was formed with Metals Creek Resources Corp who was at that point the project operator. On May 16, 2012, Sokoman and Metals Creek announced a new agreement announcing that Sokoman would be increasing its interest in the joint venture to a maximum of 70% by meeting the following criteria; an additional 10% (aggregate 60%) by issuing on signing of the agreement a total of 1.5 million common shares (issued) of Sokoman to Metals Creek and by assuming responsibility for all expenditures related to the 2012 exploration program with a minimum exploration

expenditure of \$500,000 (expended approx. \$322,000); an additional 10% (aggregate of 70%) by issuing an additional 2.5 million common shares (issued) of Sokoman within 18 months of the new agreement and producing a NI 43-101 compliant resource of at least 50 million tonnes by the fourth anniversary of the new agreement. The Company has amended the agreement whereby Sokoman can earn a 100% interest in Iron Horse by issuing 15 million additional shares (issued) to Metals Creek and by paying a lump sum of \$1 million upon delivery of a feasibility study. Metals Creek retains a 1.9% NSR on the Iron Horse Property. The amended agreement was subsequently approved by the TSX Venture and the amended agreement supersedes all earlier agreements. Through a 2012 financing arrangement

with Callinan Royalties,( now Altius Minerals Corp through a friendly takeover of Callinan by Altius), Sokoman is required to maintain the property in good standing through December 31, 2020 with no financial commitments required. As part of the financing arrangement, Callinan (now Altius) holds a 1% NSR on the Iron Horse Property.

In July, 2011 Metals Creek completed helicopter supported rock sampling and mapping to evaluate the iron ore and uranium potential of the properties. A total of 35 rock samples collected from the property returned an average of 40% Fe<sub>2</sub>O<sub>3</sub>.

On June 23, 2012, the Company started the Phase 1 diamond drilling program on the property and completed five holes at Anomaly D for a total of 1189 meters. All holes intersected iron mineralization with thicknesses up to 125 meters grading 28.28% Fe. A second Phase of drilling commenced in early September 2012 and consisted of 1209 meters testing Anomaly A as well as including an additional 75 meters extending previously drilled hole GL12-05. The results were reported November 15, 2012 and included the thickest intercept to date on the project, 354 meters grading 27.75% Fe from GLAA12-02.

In May 2013, the Company completed a 571 line kilometer airborne gravity survey of the bulk of the Iron Horse Property. The survey was completed by Fugro Airborne Surveys utilizing the Falcon Airborne Gravity Gradiometer system. The results suggested several DSO (Direct Shipping Ore) targets in the Anomaly D area where previous sampling returned grab sample values in excess of 53% Fe.

In July 2013, the Company completed a helicopter supported prospecting program testing gravity anomalies identified by the 2013 airborne gravity survey. The Company carried out reconnaissance prospecting and rock sampling in the general vicinity of Anomalies B and D. Rock sampling results confirmed the presence of additional magnetite (taconite) mineralization in the vicinity of Anomaly D. To date, DSO (direct shipping ore) has not been located on the property although additional areas require prospecting.

In July of 2015, the Company completed a core sampling program on the Iron Horse project with a focus on identifying potential uranium mineralization. Archived core from the 2012 drill program were examined and several

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samples collected. The Company is still assessing the uranium potential of the project as previous operators in the area of the Iron Horse property has reported historical uranium mineralization up to 1800 parts per million uranium from float samples collected in 1957 by Labrador Exploration & Mining. In July 2017, the Company received final assay results from core samples found to be moderately radioactive. Hole GL-12-02 had 5 samples cut that all returned significant uranium results ranging from a low of 118 ppm U to a maximum of 1630 ppm U. The extent of the uranium mineralization at this time is not known but this does represent the first bedrock occurrence of uranium in the region.

The Company is currently seeking a funding or joint venture partner to move the project forward and will continue with property maintenance and adjust claim holdings where necessary.

**Burin/Lamaline**

The Burin property was acquired by staking and option agreements and originally consisted of 334 claims (8,350 hectares) in 11 licenses over three projects; Lamaline (formerly Salmonier Hill), Lawn and Little St. Lawrence. The property lies at Tidewater immediately adjacent to the towns of Lawn, St. Lawrence and Lamaline on the southern portion of the Burin Peninsula, on Newfoundland's south coast. The Company has allowed several licences to expire and as a result the property was reduced from 334 claims to a total of 17 claims in two licenses, one at Lawn and the as result it has been written down.

The Lamaline property consists of 13 claims in one license and covers an untested gold occurrence (1.2 g/t Au and 130 g/t Ag from a grab sample) located in 2009 by Sokoman personnel and where limited rock sampling and soil sampling and IP (induced polarization) geophysical surveying was completed. Results indicate that several targets remain to be further tested by both geochemical and geophysical surveying as well as geological mapping.

On July 6, 2012, the Company entered into an agreement with Puddle Pond Resources Inc. (Puddle Pond), whereby Puddle Pond can earn up to a 75% interest in the Lamaline gold project. General terms of the Agreement in order for

Puddle Pond to earn an initial 60% interest include a total of \$150,000 in cash payments and by issuing to Sokoman a total of 1 million shares of Puddle Pond. To earn an additional 15% (75% aggregate interest), Puddle Pond must complete a bankable feasibility study by the 7th anniversary of the Agreement. Puddle Pond has indicated that it has carried out ground surveys over the optioned Sokoman licences including geological mapping, prospecting and geochemistry. In July 2013, Puddle Pond informed Sokoman that due to market conditions, it was unable to fund exploration at Lamaline and was returning the property to Sokoman in good standing.

On October 12, 2010, the Company optioned a portion of its Burin uranium claim holdings (specifically claims associated with the Little St. Lawrence project) located near the former mining town of St. Lawrence to Newfoundland Fluorspar Exploration Limited (Newfluorex). Under the agreement, Newfluorex can earn a 100% interest in 3 mineral licences (97 claims – 2425 Ha), by issuing \$25,000 in cash and 1,000,000 Newfluorex shares (issued 250,000) to Sokoman over a three year period. All cash and share payments have been made in full, with the stock valued at \$NIL as Newfluorex is not quoted on an active market. Sokoman will retain a 0.5% Net Proceeds Royalty on any future fluorspar and by-product minerals or metals production. In addition, Sokoman will retain the exclusive right, either on its own, or through third parties, to conduct uranium exploration on the Property during and after the term of option. Any minerals or other commodities, except fluorspar or uranium, discovered by either party during the term of option, shall be shared equally by the parties.

In August 2011 Newfluorex began a drill program that included at least two holes on ground optioned from the Company. The program was highlighted by the discovery, on claims optioned from Sokoman, of a new fluorspar vein system immediately north of the town of St. Lawrence, approximately 5 kilometers northeast of Canada Fluorspars' property. A single wildcat exploration hole, LSL-1, returned 22.89% CaF<sub>2</sub> over 2 metres in a northwest trending structure.

All of the significant past production at St. Lawrence (and the proposed reactivated mining) was drawn from northwest trending vein structures. Newfluorex plans additional drilling and is actively seeking funding. The property optioned to Newfluorex has been further reduced to 38 claims in two licences from 97 claims in three licences. No work was completed during the reporting period by either Newfluorex or Sokoman and no work is planned. Both Newfluorex and Sokoman have negotiated tentative agreements with Canada Fluorspar for the sale of their respective NSR royalties on the Burin claims. Sokoman has received a cash payment of \$25,000 from Canada Fluorspar for the sale of its 0.5% royalty on its Burin area claims contiguous with the Canada Fluorspar property. Moreover, the Company is also in discussions to option a portion of the Lamaline property and will announce terms once an agreement has been reached. The company has further reduced its claim holdings in the region largely through the expiration of several mineral Licenses. The company now has a total of 13 claims in one License at Lamaline, the Lawn License

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consisting of four claims was dropped. The company has received an offer for the Lamaline property and has agreed to draft terms for the property, final terms will be announced in the coming quarter.

**Meadows Project**

In early 2018, Sokoman staked and controls a 100% interest in the 114 claim Meadows Property in western Newfoundland following the announcement of potentially significant black shale hosted gold mineralization discovered by White Metals Resources Inc. in Northern Newfoundland. The claims cover similar age stratigraphic units with anomalous lake sediment values up to 10 ppb gold, to those hosting gold on the White Metals property. There are also unverified references to "traces of gold" from government surveys in the late 1800's. The company plans reconnaissance surveys for Q2 and Q3 2018.

**Mineral Exploration Expenses**

Exploration and evaluation expenditures incurred on exploration properties are expenses until such time that a future economic benefit is more likely to be realized than not by the establishment of ore resources.

A summary of exploration expenditures incurred for the year ended June 30, 2018 is as follows:

|                       |   |              |         |           |                         | July 2017 to<br>June 2018 | July 2016 to<br>June 2017 |
|-----------------------|---|--------------|---------|-----------|-------------------------|---------------------------|---------------------------|
|                       | Central<br>Newfoundland<br>Gold Project | Clarks Brook | Meadows | Moosehead | Iron Horse<br>and Other | Total                     | Total                     |
|                       | \$                                      | \$           | \$      | \$        | \$                      | \$                        | \$                        |
| Field Office Expenses | 57,906                                  | 61,543       | 6,430   | 22,800    | 4,590                   | 153,269                   | 46,966                    |
| Geo Services          | 1,240                                   | 8,442        | -       | 16,070    | -                       | 25,752                    | 8,071                     |
| Drilling              | -                                       | 48,958       | -       | -         | -                       | 48,958                    | 24,000                    |
| Assays                | 55,941                                  | 12,249       | 2,978   | 2,001     | 1,748                   | 74,917                    | 23,115                    |
| Wages & Salaries      | 40,930                                  | 30,256       | 900     | 27,655    | -                       | 99,741                    | 37,898                    |
| Amortization          | 410                                     | 820          | -       | 410       | -                       | 1,640                     | 2,188                     |
| Government grant      | -                                       | (65,433)     | -       | -         | -                       | (65,433)                  | (13,291)                  |
|                       | 156,427                                 | 96,835       | 10,308  | 68,936    | 6,338                   | 338,844                   | 128,947                   |

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**Share Capital**

The Company's authorized share capital consists of unlimited common shares without par value.

Issued and outstanding: June 30, 2018 – 58,365,809

Issued and outstanding: October 29, 2018 – 58,365,809

Warrants outstanding: June 30, 2018 – 28,324,071

Warrants outstanding: October 29, 2018 – 28,324,071

Options outstanding: June 30, 2018 – 2,300,000

Options outstanding: October 29, 2018 – NIL

**Related Party Transactions**

All transactions with related parties have occurred in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Company paid or accrued the following amounts to related parties during the year ended June 30, 2018 and 2017:

| <b>Transactions</b> |            | <b>Outstanding Balances</b> |           | <b>Description of Relationship to Company</b> | <b>Nature of Transaction</b> |
|---------------------|------------|-----------------------------|-----------|---|------------------------------|
| 30-June-18          | 30-June-17 | 30-June-18                  | 30-Jun-17 |   |                              |
| \$                  | \$         | \$                          | \$        |   |                              |
| 73,350              | 39,129     | -                           | -         | An officer                                    | Salaries and wages           |
| 4,500               | -          | 4,500                       | 33,431    | Company controlled by corporate secretary     | Legal Fees                   |
| 32,500              | 25,500     | -                           | -         | Company controlled by an officer              | Accounting fees              |
| 77,751              | 64,629     | 4,500                       | 33,431    |   |                              |

**Off-Balance Sheet Arrangements**

At June 30, 2018, the Company had no off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

**Risk Factors**

Sokoman's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

**Capital Requirements**

Sokoman will require significant capital in order to fund its operating costs and to explore and develop any project. The Company has no revenues and is wholly reliant upon external financing to fund all of its capital requirements.

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The Company will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Sokoman or if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Sokoman, the interests of shareholders in the net assets of Sokoman may be diluted. Any failure of Sokoman to obtain financing on acceptable terms could have a material adverse effect on Sokoman's financial condition, prospects, results of operations and liquidity and require Sokoman to cancel or postpone planned capital investments.

***Dependence on Mineral Exploration Projects***

Any adverse development affecting the progress of Sokoman's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on Sokoman and its business or prospects.

***Metal Prices***

The development and success of any project of Sokoman will be primarily dependent on the future price of gold and other metals. Gold and base metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the control of Sokoman. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of gold and other precious and base metals has fluctuated widely in recent years, and future serious price declines could cause any future development of and commercial production from Sokoman's properties to be impracticable.

Depending on the price of gold and other metals, projected cash flow from planned mining operations may not be sufficient and Sokoman could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from Sokoman's mining properties is dependent on gold and base metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of Sokoman's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting Sokoman's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

***Government Regulation, Permits and Licences***

Sokoman's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Many of the mineral rights and interests of Sokoman are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that Sokoman will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; Sokoman may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Where required, obtaining necessary permits and licenses can be a complex, time consuming process and Sokoman cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Sokoman from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the

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exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on Sokoman and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

***Competition***

The mining industry is competitive in all of its phases. Sokoman faces strong competition from other exploration and mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Sokoman. As a result of this competition, Sokoman may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Sokoman could be materially adversely affected.

***Exploration, Development and Operational Risk***

The exploration for, and development of, mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site.

Whether a mineral deposit will be commercially viable depends on a several factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Sokoman not receiving an adequate return on invested capital.

Sokoman does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by Sokoman towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold and other

precious or base metals. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

***Joint Venture Strategy***

Sokoman's business strategy includes continuing to seek new joint venture opportunities. In pursuit of such opportunities, Sokoman may fail to select appropriate joint venture partners or negotiate acceptable arrangements, including arrangements to finance such opportunities or, where necessary, integrate the acquired businesses and their personnel into Sokoman's operations. Sokoman cannot assure that it can complete any business arrangement that it pursues on favorable terms, or that any business arrangements completed will ultimately benefit Sokoman's business.

***Reliance on Management and Key Employees***

The success of the operations and activities of Sokoman is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Sokoman does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Sokoman's operations and financial performance.

***No Assurance of Titles, Boundaries or Approvals***

Titles to Sokoman's properties may be challenged or impugned, and title insurance is generally not available. Sokoman's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be

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affected by, among other things, undetected defects. In addition, Sokoman may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. Sokoman cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Sokoman's operations.

***Environmental Risks and Hazards***

All phases of Sokoman's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Sokoman's operations. Environmental hazards may exist on the properties in which Sokoman holds interests which are unknown to Sokoman at present and which have been caused by previous or existing owners or operators of the properties.

***Uninsured Risks***

Sokoman's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Sokoman's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability.

Although Sokoman maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Sokoman may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Sokoman on affordable and acceptable terms. Sokoman might also become subject to liability for pollution or other hazards which may not be insured against or which Sokoman may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Sokoman to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

**Outlook**

The Company is continuing management of its current portfolio of exploration properties and where necessary, will consolidate or reduce claim holdings to ensure core interests remain with the company. The Company has completed Phase 1 programs on its Central Newfoundland Gold project including soil and till geochemical sampling, prospecting and rock sampling, logging and sampling (where required) historical drill holes, and airborne magnetic surveying. The work focused on the East Alder and Crippleback Lake properties and multiple trenching targets have been identified and will be evaluated in Q2 or Q3 2018 (Phase 2). A total of 14 targets have been identified at east Alder and an additional 8-10 trenching targets at Crippleback Lake. Permitting for this work is currently underway. The East Alder block is contiguous with Antler Gold's Wilding Lake property where ongoing announcements by Altius Minerals and Antler Gold continue to suggest a significant new gold discovery along the same structural trend that hosts Benton Resources Inc.'s Cape Ray deposits, and, Marathon Gold's Valentine Lake project where recent announcements show in excess of 2 million ounces of gold in all categories. Assay results released by Antler Gold team include 49.3 g/t Au over 4.6 metres in channel sampling. A number of additional occurrences at Wilding Lake occur less than 1.5 kilometers from Sokoman's property.

In late fall, 2017, Sokoman commenced a Phase 1 diamond drilling program on its newly acquired Clarks Brook Gold property in central Newfoundland. The company completed 515 meters of core in four holes and assays received in late December, 2017 verified the existence of in situ gold mineralization highlighted by CB-17-2 which returned 3.37 g/t Au / 3.00 m (from 127.75 – 130.75) including 4.63 g/t Au / 1.65 m (from 127.75 – 129.40) and including 26.9 g/t Au / 0.25 m (from 127.75 – 128.00). Based on the results of Phase 1, the company completed 594 m Phase II program in early February 2018. All holes intersected locally significant (NR April 5, 2018) gold values highlighted with the discovery of a second, previously unknown zone, which returned the highest grades of the program.

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Diamond drill hole CB-18-5 intersected bleached and locally clay altered conglomerate cut by a network of narrow pyritic quartz veinlets that returned 3.74 g/t gold over 3.10 metres including 14.73 g/t gold over 0.60 metres. The company will evaluate the results and plan further work at a later date. The company is contemplating a 1000 meter drill program during Q1 and 2, 2019 to follow up on the previous drilling programs.

At the Iron Horse project in Labrador, the company has completed secondary assaying of the company's drill core from the 2012 program. The Company was seeking confirmation of potentially significant uranium (U) which some of the holes appear to have intersected based on anomalous radioactivity noted in the core. Core from drill hole GL-12-02 returned strongly anomalous concentrations of U and V, as well as elevated REE's as follows; the 3.9 meter section averaged 596 ppm U including 1630 ppm U over 0.65 meters. GL-12-2 returned assays ranging from a low of 118 ppm U to a maximum of 1630 ppm U, as well as strongly anomalous V ranging from 342 ppm V to 3776 ppm V. At present, no work is planned in 2018 for the Iron Horse project.

In the 3<sup>rd</sup> quarter of 2018, work began on the Moosehead Gold Project recently acquired from Altius Resources Inc. Phase 1 diamond drilling which consisted of 15 holes totaling 1970 meters was completed in July 2018 and returned strong results highlighted by MH-18-01, that intersected a mineralized zone that returned 11.90 m grading 44.96 g/t Au from 109.00 m – 120.90 m down hole in the Eastern Trend and from the Western Trend, 2.28m @ 42.36 g/t Au core length) in MH-18-08. The current program did not test the zone any further to the west.

Further drilling is planned for the property in Q4, 2018 with 10,000 meters planned utilizing two drill rigs.

**Tim Froude, P. Geo**  
**Chief Executive Officer**  
**October 29, 2018**