



Management's Discussion and Analysis
For three and nine months ended June 30, 2018 and 2017

Filed August 28, 2018



Management's discussion and analysis (MD&A) relates to the performance, financial condition and future prospects of Claim Post Resources Inc. ("Claim Post" or the "Company"). This MD&A should be read in conjunction with the unaudited interim condensed financial statements for the three and nine months ending June 30, 2018 and 2017 and Notes thereto. Readers are cautioned that the MD&A contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to Claim Post's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward looking statements. Readers are encouraged to consult the Company's audited financial statements for the years ending September 30, 2017 and 2016 and related notes for additional details. The unaudited interim financial statements and MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are in Canadian dollars unless stated otherwise. This discussion addresses matters we consider important for an understanding of our financial condition and results of operations as of August 28, 2018 and for the three and nine months ended June 30, 2018. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A. Additional information relevant to the Company's activities, including the Company's Annual Report and audited financial statements, can be found on SEDAR at www.sedar.com.

Description of Business

The Company is a junior mining, exploration and development company engaged in the acquisition, exploration and development of mineral resource properties in Canada. The Company was formed under the *Business Corporations Act* (Ontario) as Claim Post Resources Inc. on September 21, 2005 by articles of incorporation.

The business objective of the Company has evolved from acquiring land and exploring for base and precious metals deposits in the Timmins Camp of Ontario from 2005 to 2013, to acquiring and developing a major silica sand deposit located 200 km northeast of Winnipeg, Manitoba.

The Company's common shares trade on the TSX-V under the trading symbol "CPS". The Company is a reporting issuer in the provinces of Ontario, Alberta and British Columbia.

Outlook

The Company currently has one project – a 100% interest in the Seymourville Frac Sand Project 200km North East of Winnipeg Manitoba. The frac sand project is the current main focus of the Company as we have completed an Independent NI 43-101, a Preliminary Economic Assessment ("PEA") and have signed an Exploration Memorandum of Understanding ("MOU") with the nearby First Nations and Metis communities. The entire frac sand deposit was acquired by purchasing 70% of the deposit from Char Crete Ltd. in 2014. The final payment for the purchase of the remaining 30% from Gossan Resources Inc. was made in September 2017 which now completes the purchase 100% ownership of the project. Transfer of title to the Company was delayed due to certain legal issues.

On May 28, 2018, the Company announced that it has acquired title to and control over nine quarry leases from a number of third parties, including Char Crete Ltd., Simmons Construction Ltd. and O/S Investment Corp. for a total investment of \$1.3 million. These leases are directly adjacent to Claim Post's existing quarry leases, consolidating Claim Post's strategic control over the Tier 1 Frac Sand deposit at Seymourville, Manitoba. The Company made payment of \$1.3 million on August 3, 2018 and Title to the said claims have been transferred to Claim Post. Upon Claim Post attaining commercial production of frac sand, Claim Post is entitled to recover payment plus interest at 9%, compounded annually before the production royalty commences. The terms of the production royalty remain unchanged from those contained in the previously disclosed arrangement with respect to these leases.

Claim Post now holds complete and consolidated title to both the Seymourville and the adjoining Manigotagan properties, which provides control over approximately two thirds of the Seymourville Tier 1 sand resource of 600 million tonnes as determined by the Manitoba Government. Claim Post's significant surface silica sand deposit remains in high demand for fracking in the energy industry and the Company can now move forward to pursuing an active development stage. Claim Post leadership will now turn its attention to financing the next stage of growth of this exciting project

In December 2017 the Company sold its Timmins exploration properties for \$350,000 in cash and up to a 2% net smelter royalty. This strategic, non-core, asset sale is the culmination of the previously announced review process to maximize the value of its legacy mining assets in order to focus on the development of its Seymourville frac sand deposit. The strategic transaction allows Claim Post to focus and drive forward with



the development of the Tier 1 frac sand project in Manitoba.

Tier 1 sand demand should remain strong, driven by the combination of limited supply of sands that meets American Petroleum Institute ("API") specifications and robust pressure pumping demand in the Montney and Duvernay formations in the Western Canadian Sedimentary Basin ("WCSB").

Extensive metallurgical test work in 2014 showed that the Seymourville sand deposit could be upgraded to 99.3% silica and API test work showed that the sand meets all Tier 1 specifications for frac sand for the oil and gas industry. On April 30, 2014, Claim Post announced the results of an Independent NI 43-101 indicating that there are 25 million tonnes of inferred sand resource on approximately 5% of the sand lease area. The PEA was announced on November 24, 2014 which indicated that the Seymourville Project can attain at least a 20% Return on Investment ("ROI"), thus the next step would be to complete a pre-feasibility study to confirm the project economics.

An Exploration ("MOU") has been signed by the First Nation Reserve, Hollow Water, and the Village of Seymourville on July 13, 2015. A copy of the related news releases has been filed on www.SEDAR.com and can also be found on the Company's website.

The Company does not hold any interests in producing or commercial ore deposits. The Company has no production or other material revenue. There is no operating history upon which investors may rely. Commercial development of any kind will only occur in the event that sufficient quantities of mineral resources containing economic concentrations of mineral resources are discovered. If, in the future, a discovery is made, substantial financial resources will be required to establish ore reserves. Additional substantial financial resources will be required to develop mining and processing for any ore reserves that may be discovered. If the Company is unable to finance the establishment of ore reserves or the development of mining and processing facilities it will be required to sell all or a portion of its interest in such property to one or more parties capable of financing such development.

As at August 28, 2018, the directors and officers of the Company are:

Lowell Jackson	Interim President, Executive Chairman and Director
Richard D. Williams	Corporate Secretary and Director
John Assman	Director
Thomas MacInnis	Director
Todd Garman	Director
Rodrigo Sousa	Director
Arvin Ramos	Chief Financial Officer
Robert D. Archibald	Chief Operating Officer
Nadim Wakeam	Assistant Corporate Secretary

In 2014, the Company retained P&E Mining Consultants to prepare a NI 43-101 Report and the Preliminary Economic Assessment ("PEA") on the Seymourville Frac Sand Project. Mr. Gene Puritch, P. Eng is the independent Qualified Person on the file.

Overall Performance

The following paragraphs provide an analysis of the financial condition of the Company, results of operations, trends, events, uncertainties, and industry and economic factors that affect the Company's performance for the nine months ended June 30, 2018.

Total exploration and evaluation costs decreased in the nine months ended June 30, 2018 by \$149,475 to a cumulative total of \$8,611,542 from \$8,761,017 September 30, 2017. The decrease is related to the sale of the Timmins Property. See *Recent Events*.

As at June 30, 2018, the Company had 188,216,899 common shares outstanding.



As at June 30, 2018, the Company's cash position was \$65,342, a decrease of \$469,639 from the September 30, 2017 balance of \$534,981. During the year ending September 30, 2017, the Company utilized debt facilities to cover working capital needs and on June 21, 2017 the Company closed a non-brokered private placement of unsecured convertible debentures for total gross proceeds of up to \$3,093,000 at a price of \$1,000 and integral multiples thereof per debenture (see Convertible Debenture).

The Company has historically relied on equity financing to raise capital and will continue its attempts to do so.

Recent Events

On August 2, 2018 the Company announced that it has completed a non-brokered private placement of 130 million common shares priced at \$0.10 per share for total proceeds of \$13 million. The previously announced private placement of \$10 million was increased in size in order to accelerate the development of the Company's silica sand deposit and as a result of significant interest from high quality and strategic shareholders.

The net proceeds of the Offering will be utilized to pursue the expeditious development of the Company's significant surface silica sand deposit at Seymourville, Manitoba.

As part of the Offering, Paramount Resources Ltd. ("Paramount") acquired 41,390,909 Common Shares of Claim Post which represents approximately 13.1% of the issued and outstanding Common Shares of the Company. Paramount is an independent, publicly traded, liquids-focused Canadian energy company that explores for and develops both conventional and unconventional petroleum and natural gas resources, including long-term strategic exploration and pre-development plays, and holds a portfolio of investments in other entities. The Company's principal properties are located in Alberta and British Columbia.

As part of the Offering, Mr. David Wilson, President and CEO of Kelt Exploration Ltd. ("Kelt"), acquired 20,000,000 Common Shares of Claim Post and now also holds approximately 13.1% of the issued and outstanding Common Shares of the Company. Kelt is an independent Canadian energy company focused on exploration, development, and production of crude oil and natural gas resources, primarily in west central Alberta and northeastern British Columbia.

Concurrent with Paramount's investment as part of the Offering, Claim Post is pleased to announce the appointment of Mr. Rodrigo Sousa to the Board of Directors. Currently, Mr. Sousa is Paramount's Vice-President, Corporate Development. Prior thereto, Mr. Sousa held senior roles as an oil and gas executive and in investment banking at TD Securities Inc., Ross Smith Sousa Energy Advisors and Scotia Capital. He holds a Bachelor of Commerce degree with Distinction from the University of Calgary and a Chartered Financial Analyst designation from the CFA Institute.

Certain of the directors of the Company, being Lowell Jackson, Tom MacInnis and Rod Sousa, participated in the Offering in the aggregate amount of \$350,000, thereby making the Offering a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The Offering is exempt from the need to obtain minority shareholder approval and a formal valuation as required by MI 61-101 as the Company is listed on the TSX Venture Exchange and the fair market value of the Common Shares to insiders or the consideration paid by insiders of the Company does not exceed 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the expected closing date of the Offering as the details of the Offering, including the amount to be raised pursuant to the Offering and the participation therein by related parties of the Company, had not been confirmed at that time and the Company wished to close the Offering on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature. The Offering remains subject to the final acceptance of the TSX Venture Exchange. The Common Shares issued in connection with the Offering are subject to a statutory hold period expiring on December 1, 2018. Finder's fees will be payable on a portion of the Offering in accordance with the policies of the TSX Venture Exchange

On July 19, 2018 450,000 Stock Options were exercised \$0.10 per share and the Company issued 450,000 common shares at for net proceeds of \$45,000.

On July 19, 2018 2,300,000 Stock Options expired unexercised.



On June 21, 2018 the Company converted an aggregated amount of \$3,080,907 representing \$2,791,000 of the remaining outstanding convertible debentures plus \$289,907 in accrued interest and issued 56,016,496 shares at a price of \$0.055 per share.

On May 28, 2018, Claim Post provided notice to the holders of its outstanding convertible debentures that it had elected to repay the remaining approximately \$2.7 million principal amount plus interest owing at maturity on June 21, 2018 by issuing to such holders an aggregate of approximately 55.4 million common shares of the Company in accordance with the terms of the debentures. After giving effect to this debenture repayment in common shares, the Company will have a simplified capital structure, with approximately 187.6 million common shares and no debt outstanding. Over the past year, the funds raised from the issuance of these debentures have allowed Claim Post to better position itself for future growth by consolidating the sand leases at Seymourville, re-focusing Claim Post's asset base by selling the Timmins mineral leases, stabilizing the balance sheet, and strengthening the leadership of the Board of Directors and management of Claim Post.

On March 9, 2018, the Company converted an aggregated amount of \$53,663 representing \$50,000 of the outstanding convertible debentures plus \$3,663 in accrued interest and issued 975,696 shares at a price of \$0.055 per share.

On February, 12, 2018, the Company announced the appointment of Mr. Robert (Bob) D. Archibald as Chief Operating Officer of the Company. Mr. Archibald has over 40 years of technical, operational and executive experience in mining, construction materials, aggregates and industrial minerals industries. Mr. Archibald has been involved in a variety of frac sand operations located in the states of Texas, Illinois and Wisconsin in the United States and in the province of Alberta in Canada. He holds a Bachelors degree in Mining Engineering from Montana College of Mineral Science and Technology and an MBA from Oklahoma City University. Mr. Archibald is a registered Professional Engineer in the United States. He is also a Qualified Person as defined by National Instrument 43-101. Mr. Archibald has served on the Board of Directors of the National Stone, Sand and Gravel Association. "Claim Post's focus on development of its Tier 1 frac sand deposit at Seymourville has been greatly enhanced through the addition of Bob Archibald's expertise to our team," stated Executive Chairman Mr. Lowell Jackson.

In conjunction with this appointment, the Company granted him options to acquire 1,000,000 common shares (the "Shares") in the capital of the Company at an exercise price of \$0.085 per Share until February 12, 2021. The options are exercisable over a three year period ending February 12, 2021, with one-third of the options vesting immediately, one-third vesting on the first anniversary date of the grant, and one-third on the second anniversary date of the grant.

On January 24, 2018, the Company granted options to acquire an aggregate of 7,800,000 common shares of the Company at an exercise price of \$0.085 per share until January 24, 2021. 1,800,000 options were granted to the Company's Executive Chairman and Interim President and 1,500,000 options were granted to each of the other directors. The options are exercisable over a 3 year period ending January 24, 2021, with one-third of the options vesting immediately, one-third vesting on the first anniversary date of the grant, and one-third on the second anniversary date of the grant.

On January 23, 2018, 800,000 Options expired unexercised.

On January 10, 2018 the Company converted an aggregated amount of \$266,244 representing \$252,000 of the outstanding convertible debentures plus \$14,244 in accrued interest and issued 4,840,799 shares at a price of \$0.055 per share.

On December 22, 2017 Company closed a definitive purchase and sale agreement (the "Agreement") to sell its mineral exploration properties to Central Timmins Exploration Corp. ("CTEC"), for a cash consideration payable at closing of \$350,000 and a Net Smelter Royalty (the "NSR") payable to Claim Post that varies from 1% to a maximum of 2%, depending upon the claims and the pre-existing NSR burden. The NSR provides CTEC the option to buy Claim Post's NSR for cash consideration of C\$1,500,000 within 24 months of closing, and if the buyout is not fully exercised, the NSR payable to Claim Post is capped at C\$5,000,000 total, proceeds net (excluding any buy out payments) to Claim Post. The Company intends to use the proceeds of the sale for general working capital purposes and to partially fund the development of its frac sand project. No finder's fees were payable in connection with the transaction.



The Company determined that the transaction is considered to be a related party transaction as defined by Multilateral Instrument 61-101- Protection of Minority Security Holders in Special Transactions ("MI 61-101") as the Company's former President and a director, Charles Gryba, informed Claim Post that he has a business relationship with certain of the principal shareholders of CTEC and has become a director and a shareholder of CTEC on completion of the transaction.

This strategic, non-core, asset sale is the culmination of the previously announced review process to maximize the value of its legacy mining assets in order to focus on the development of its Seymourville frac sand deposit. The transaction will allow Claim Post to focus and drive forward with the development of the Tier 1 frac sand project in Manitoba.

Due to Claim Post's focus on development of its Tier 1 sand deposit and with corporate activities shifting entirely to energy services, the Company intends to make necessary management changes. Initially, as part of these changes, Charles Gryba, who was the co-founder of Claim Post and was instrumental in assembling the Timmins mineral exploration property portfolio, has resigned his position as President and Director effective December 31, 2017. He will, however, remain involved with the Company as an independent advisor as required by the Company. Lowell Jackson assumed the role of Interim President while the management search process is completed.

Convertible Debenture

On June 21, 2017 the Company closed a non-brokered private placement of unsecured convertible debentures for total gross proceeds of up to \$3,093,000 at a price of \$1,000 and integral multiples thereof per Debenture (the "Offering"). The Debentures had an interest rate of 10% per annum, compounded quarterly from their date of issuance and payable in arrears on maturity. The Debentures had a mature date that was one (1) year from the date of issuance. In lieu of a cash repayment on the Maturity Date, the Company had the option to pay all or any portion of the principal and/or accrued interest by issuing common shares to the holders of Debentures at a deemed price of \$0.055 per Common Share.

The holders of the Debentures had the option at any time prior to the earlier of the Maturity Date, a "change of control" of the Company or the business day immediately preceding the date specified by the Company for redemption of the Debentures to convert the principal amount of some or all of the Debentures and accrued interest thereon into Common Shares at a conversion price of \$0.055 per Common Share. Prior to the Maturity Date, the Company could at any time following the completion of a separate financing of at least \$2 million for the purpose of developing the Company's Seymourville Silica Sand Project at its option redeem all, or any portion of the principal and accrued interest on the Debentures at a cash price equal to all outstanding principal and accrued interest under each Debenture plus a redemption premium equal to either: (i) an additional 5% of the principal sum if the redemption occurs within three months from the date of issuance of the Debentures; or (ii) an additional 3% of the principal sum if the redemption occurred after three months from the date of issuance of the Debentures.

The net proceeds of the Offering were used for the early repayment of existing related party loans owed by the Company in the aggregate amount of \$779,335, the final payment to a third party on a quarry lease on the Company's "Seymourville Silica Sand Project" and for general working capital purposes.

Directors of the Company; Charles Gryba, Lowell Jackson, John Assman, Richard Williams and Thomas MacInnis participated in the Offering in the aggregate amount of \$1,055,000, thereby making the Offering a related party transaction (see "Transactions with related parties").

The Company paid a finder's fee in the amount of \$180,000 and \$41,729 in legal fees in connection with the issuance of the Debentures under the Offering. The Debentures and the Common Shares issuable upon conversion of the Debentures were be subject to a statutory hold period expiring on the date that was four months and one day after closing.

The convertible debenture represents a hybrid instrument that contains a host debt contract and an embedded derivative liability. The Company has designated the entire hybrid instrument as a financial liability at fair value through profit or loss. The hybrid instrument was valued upon the initial measurement date and at each subsequent financial position reporting date.

On the date of issuance, June 21, 2017, the fair value on initial recognition of the convertible instrument was equal to the transaction price of \$3,093,000 in cash consideration.



During the nine months ended June 30, 2018, the Company converted an aggregated amount of \$3,400,814 representing \$3,093,000 of the outstanding convertible debentures plus \$307,815 in accrued interest and issued 61,832,991 shares at a price of \$0.055 per share. (See Recent Events)

Exploration and Development Summary

Seymourville Frac Sand Project - Manigotagan Property

In December 2014 the Company started a 20-hole sonic drill program on the Seymourville Frac Sand project. The Company stopped the sonic drill program after 3 holes as the sonic rig could not penetrate the hard packed sand. The sonic drill program was designed to quantify the tonnage of sand on the Gossan leases. The holes are spaced at 400m x 400m centers with a number of fill-in holes to confirm historical drilling and to support an Indicated Mineral Resource. Three geotech holes were also completed; the plant site location was moved 500m north to a flat area of glacial till.

On November 24, 2014 the Company announced the results of a Preliminary Economic Assessment ("PEA") for its Seymourville Frac Sand Project located approximately 200km NE of Winnipeg, Manitoba. The PEA was prepared by P & E Mining Consultants Inc. The PEA demonstrates the potential for development of an economically robust frac sand quarry operation in Seymourville, Manitoba. At a Tier 1 frac sand price of \$110 per tonne delivered on rail at Winnipeg, the Seymourville Frac Sand Project Base Case has an estimated \$617 million after-tax net cash flow, a \$151 million after-tax Net Present Value at a 10% discount rate, an after-tax Internal Rate of Return of 21%, with a relatively low initial capital expenditure of \$93 million for construction of a quarry, wash/screening plant and Winnipeg trans-loading truck-to-rail facility to produce one million tonnes per annum of frac sand as of the third production year. Additional details regarding the results of the PEA can be found in the related news release, dated November 24, 2014, which has been filed on www.SEDAR.com. The sand price used in the NI 43 101 Report was the 4th Quarter 2014 Wisconsin sand price adjusted for the Canadian dollar plus the trucking cost loaded on rail in Winnipeg, Manitoba.

On July 13, 2015, the Company announced it had signed a Memorandum of Understanding ("MOU") with both the Hollow Water First Nation ("Hollow Water") and the Incorporated Community of Seymourville ("Seymourville"), regarding the Seymourville Silica Sand Project.

Seymourville Frac Sand Project - Seymourville Property

On January 13, 2017 the Company received permission to conduct exploration activities on the nine quarry leases which remain registered under Char Crete Ltd. ("Char Crete") due to certain legal issues. Claim Post conducted exploration activities on the Char Crete leases including obtaining work permits to line cut and drill and other general exploration. Char Crete had no objection to these activities and agreed to assist and co-operate in obtaining permission from the various Manitoba Ministries and Agencies, including Conservation, Mines Branch and others to undertake these activities by submitting written applications and other documents.

Trends

Current stock market conditions for public junior resource companies are not supportive of funding grassroots exploration or even advancing resource projects due to lower metal prices and the significant drop in oil prices. Given the difficulties in raising new capital through the equity markets, such companies are seeking out alternative sources of capital such as joint ventures with strategic partners, raising capital with financial partner equity groups, and investment from royalty-streaming investment groups. It is uncertain how long this trend will continue. Otherwise there are no unusual trends, events or uncertainties presently known or identifiable to management that are reasonably expected to have a material effect on the Company's business, financial condition or results of operations. The nature of the Company's business is demanding of capital for property acquisition costs, exploration and holding costs. The Company may stake ground as it becomes available for exploration and will drop claims from time to time if claims are deemed to have a low potential for a discovery. The Company intends to utilize cash on hand to meet its obligations and will continue to raise funds primarily by equity financings as necessary to augment this cash position as it does not have any operating cash flow.



Commitments

On-going commitments for capital resources relate to agreements for office space rental, management and consulting fees and the Seymourville Frac Sand Project.

Seymourville Frac Sand Project – Seymourville Property

In April 2013, the Company completed a 100% acquisition of nine contiguous silica sand quarry leases (the "Seymourville Property"). Under the agreement, the vendor is entitled to receive royalty payments in the event that the project reaches the production stage, and these are payable within 90 days after each three (3) month period ending March 31st, June 30th, September 30th and December 31st of each calendar three months as follows:

1. On frac sand sold:
 - \$1.00 per tonne on frac sand from the Seymourville Property
 - \$1.00 per tonne on frac sands from any newly staked properties within a 10km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes of frac sand that is sold, delivered and paid for, not on frac sand that is stockpiled or in transit

2. On pit sand, gravel, rock, kaolinite or clay:
 - \$0.50 per tonne on such products from the Seymourville Property
 - \$0.50 per tonne on such products from any newly staked properties within a 10km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes sold, delivered and paid for, not stockpiled or in transit

3. On foundry sands, smelter flux, glass and similar products:
 - \$0.50 per tonne on such products from the Seymourville Property
 - \$0.50 per tonne on such products from any newly staked properties within a 10km radius of the Seymourville Property (excluding lands of Native Groups)
 - Royalty payments will only be made on tonnes sold, delivered and paid for; not stockpiled or in transit

Seymourville Frac Sand Project - Manigotagan Property

On June 18, 2013, the Company entered into an agreement to purchase the Manigotagan Property from Gossan Resources Limited ("Gossan"). The agreement received regulatory approval on July 3, 2013. The property encompasses nine quarry leases (306 hectares) and is contiguous to Claim Post's wholly-owned Seymourville Property (428 hectares). The properties are located 6km from a paved highway, 200km north-east of Winnipeg, Manitoba, Canada.

The total payable to Gossan for the purchase of the Manigotagan Property was as follows:

- 1) 1,000,000 common shares of Claim Post or \$50,000, at Claim Post's sole discretion on signing the Agreement; (shares issued)

- 2) 2,000,000 common shares of Claim Post or \$200,000, at Claim Post's sole discretion on or before December 18, 2013, which was 6 months after the signing of the Agreement; (2,000,000 shares issued)

- 3) \$350,000 payable June 18, 2014, which was 12 months after the signing of the Agreement; (paid)

- 4) \$350,000 payable December 18, 2014, which was 18 months after the signing of the Agreement; (paid)



- 5) During 2015, the Company amended the Agreement to extend the due date of the \$430,000 payment for 6 months to December 18, 2015 subject to interest at 1% per month, and a payment of 1,000,000 common shares (shares issued) as well as an increase in the advance royalty provisions. Under the terms of an amended agreement, an initial annual advance royalty payment of \$50,000 payable commencing as of June 18, 2016, now becomes a semi-annual advance royalty payment of \$50,000 payable commencing as of December 18, 2015.

On September 13th, 2017, the Company made the required payments as outlined in the amended agreement and has now acquired 100% interest in the Manigotagan Property.

On December 13th, 2017, the Company made the required semi-annual advance royalty payment of \$50,000.

By purchasing the Manigotagan Property, Claim Post is obligated to pay a royalty interest (collectively the "Royalty") to Gossan in the amount of \$1.00 per tonne of frac sand plus \$0.50 per tonne for other silica sand or clay products sold from the Manigotagan Property in the event that the project reaches the production stage. Claim Post can acquire 50% of the Royalty for \$1,500,000 any time after the Company completes the property payments.

Racetrack Property Option

On September 13, 2010 the Company entered into a sub-option agreement to earn up to a 100% interest in 112 claim units and 12 patented claims (Racetrack Property Option) from Electra Gold Ltd. The Racetrack Property Option includes mineral rights which have been optioned by Electra Gold Ltd. from two third parties. The claims are in Ogden Township and will add to the 100% owned Dayton Porcupine Claims located near Timmins, Ontario.

Under the option agreement, Claim Post was the operator of the Racetrack Property and had earned a 50% interest in the 112 units or claims by incurring a total of \$20,000 in cash payments, the issuance of 700,000 shares of the Company, plus incurring \$120,000 in exploration expenditures.

On June 10, 2016 the Company signed an amending agreement to earn the remaining 50% interest in the Racetrack Property Option by issuing 1,500,000 Claim Post shares with a fair value of \$0.025 per share. Claim Post has issued the shares from Treasury on June 23, 2016 and delivered the shares to Electra Gold upon transfer of title to the property to Claim Post on July 21, 2017. Claim Post acquired a 100% interest in the Racetrack Property.

The Racetrack claims are subject to underlying NSR royalties with royalty buyout clauses. The 103 staked units have a 2% NSR royalty, with a \$1 million dollar buyout for 1% NSR, and the 12 patented claims have a 3% NSR royalty with a \$1 million dollar buyout of 2% NSR.

Dayton Porcupine Claims Project

On May 10, 2010, the Company completed the acquisition of a 100% interest in 49 patented claims in Deloro and Ogden Townships, nine miles south of Timmins. The purchase price was \$5,000 cash, plus one million (1,000,000) common shares of the Company at a price of \$0.25 per share for 100% ownership of both the patented surface rights and patented mining rights, subject to an aggregate total 3% Net Smelter Royalty ("NSR"). On acquisition of the claims, the Company had also assumed the liability of approximately \$257,000 in property taxes on the patented surface rights that are in arrears to the Township.

In August 2013, the Company received notice from the City of Timmins that failure to pay the property taxes in arrears would result in loss of the surface rights of the property. Claim Post management determined to forfeit the surface rights. The Company still holds and will maintain the underlying, patented mineral rights to these claims, of which taxes are fully paid and up to date. In September 2017, it was confirmed by the City of Timmins that some of these properties were no longer registered in Claim Post's name and the outstanding tax balance of \$309,846 has been eliminated on Claim Post's Statement of Financial Position.



Office and Management and Consulting Fee Commitment

The Company is committed to monthly payments under the terms of operating agreements for the office space and management and consulting fees. The aggregate remaining payments per year are as follows:

2018	\$ 64,384
2019	\$ 33,575
2020	\$ 28,313

Use of Funds

The Company will spend its available funds to further its stated business objectives. Specifically, the available funds will be spent to explore and develop its frac sand project. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Industry Risks

The Company is subject to numerous risk factors that may affect its business prospects in the future. These include risks inherent to exploration, development and operating companies, dependence on key personnel, commodity prices, and availability of capital, environmental and permitting risks, acquisition risks, competition and potential risks relating to land titles.

There are certain risk factors that could have material effects on the Company that are not quantifiable at present due to the nature of the Company's industry segment and other considerations.

Additional Capital

The exploration and development activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Exploration Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration and development, any of which could result in work stoppages, damage to property, and possible environmental damage. None of the properties in which the Company has an interest have a known body of commercial ore. Development of the Company's mineral properties will follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of commercially viable bodies or ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling, to develop process flow sheets, to extract the metal from the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Business Risk

The success of the operations and activities of Claim Post Resources is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management's discretion and judgment, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company's operations and financial performance.

Commodity Prices

The price of the Company's common shares, its financial results, and exploration and development activities have been, or may in the future be, adversely affected by declines in the price of gold and/or other metals.



Gold and oil prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new project developments, improved production methods and international economic and political trends. The Company's revenues, if any, are expected to be in large part derived from mining and from the sale of silica sand utilized by the oil industry, precious and base metals or interests related thereto. The effect of these factors on the price of frac sand, precious and base metals, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

Environmental and Permitting

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of 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 the Company's operations.

To the Company's knowledge, there are no liabilities to date which relate to environmental risks or hazards.

Frac Sand Business Risks

With the Company's recent foray into the silica sand business, it is becoming exposed to a new series of industry risks. Claim Post's long-term business and financial performance depends on the level of drilling and completion activity in the oil and natural gas industry. An increase in the supply of natural frac sand, having similar characteristics as the natural frac sand the Company plans to produce, could make it more difficult for the Company to execute contracts on favourable terms or at all.

Federal, provincial and local legislative and regulatory initiatives relating to hydraulic fracturing and the potential for related litigation could result in increased costs, additional operating restrictions or delays for our customers, or changes in technology could cause a decline in the demand for frac sand and negatively impact our business, financial condition and results of operations.

Risks Related to Environmental, Mining and Other Regulations

Claim Post and its prospective customers are subject to extensive environmental, health and safety regulations that impose, and will continue to impose, significant costs and liabilities. In addition, future regulations, or more stringent enforcement of existing regulations, could increase those costs and liabilities, which could adversely affect the Company's results of operations.

Silica-related legislation, health issues and litigation could have a material adverse effect on the Company's business, reputation or results of operations.

Acquisition

The Company uses its best judgment to acquire mineral properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. Claim Post cannot assure that it can complete any acquisition that it pursues, or is currently pursuing, on favorable terms, or that any acquisition completed will ultimately benefit the Company. The Company's management and directors have experience globally, thus, potential acquisitions may be outside of Canada.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospective properties for mineral exploration and development in the future.

Land Title

The Company has not sought formal title opinions on its mineral property interests in Canada. Any of the Company's properties may be subject to prior unregistered agreements or transfers or native land claims

and title may be affected by undetected defects. The Company has no present knowledge of any material defect in the title of any of the properties in which the Company has or may acquire an interest other than the Simmons Group claim described in the Recent Events section below, which management believes is without merit.

Review of Operations Selected Annual Information

	Year Ended September 30, 2017	Year Ended September 30, 2016	Year Ended September 30, 2015
Loss before income taxes	\$ 1,552,638	\$ 610,324	\$ 1,839,080
Net Loss and comprehensive loss	\$ 1,552,638	\$ 610,324	\$ 1,839,080
Loss per share – basic and diluted	\$ 0.012	\$ 0.005	\$ 0.015
Total Assets	\$ 604,859	\$ 39,661	\$ 38,788

Three Months Ended June 30, 2018 and 2017

The Company had a net loss of \$247,916 or \$0.002 per share for the three months ended June 30, 2018 compared to \$160,227 or \$0.001 per share for the three months ended June 30, 2017. The increase is due to increased exploration and evaluation costs, accrued interest on the convertible debenture and decreased general and administration costs in the current year.

Professional fees were \$71,533 for the three months ended June 30, 2018 compared to \$73,847 for the three months ended June 30, 2017. These fees relate to routine professional services such as legal advice and audit fees.

General and administrative costs were \$13,043 for the three months ended June 30, 2018 compared to \$38,751 for the three months ended June 30, 2017. The decrease is due to interest expenses on the loan payable in the previous three month period.

Shareholders' information for the three months ended June 30, 2018 was \$2,288 for stock exchange fees, transfer agent fees and the electronic filing of disclosure documents on SEDAR compared to \$17,891 for the three months ended June 30, 2017. The decrease in costs over the prior period is due to the cost of filing disclosure documents relating to a Private Placement.

Investor relations and travel for the three months ended June 30, 2018 was \$12,031 compared to \$1,663 for the three months ended June 30, 2017. The increase is related to travel expenses incurred to negotiate the Char Crete Settlement in the current period.

Total exploration and evaluation costs increased in the three-month period ended June 30, 2018 by \$81,327 (2017 - an increase of \$26,504) to a cumulative total of \$8,611,542 compared to \$8,761,017 at September 30, 2017.

Nine months Ended June 30, 2018 and 2017

The Company had a net loss of \$1,286,456 or \$0.010 per share for the nine months ended June 30, 2018 compared to \$486,271 or \$0.004 per share for the nine months ended June 30, 2017. The increase is due to share-based payments in the current year.

Professional fees were \$371,709 for the nine months ended June 30, 2018 compared to \$209,535 for the nine months ended June 30, 2017. Fees are higher in the current period due to increased legal fees for the sale of the Timmins Area Properties. These fees also relate to routine professional services such as legal advice and audit fees.

General and administrative costs were \$70,525 for the nine months ended June 30, 2018 compared to \$109,825, for the nine months ended June 30, 2017. The decrease is due to the resignation of previous management and the sublease of the Toronto office space. The Company continues to curtail expenses.



Shareholders' information for the nine months ended June 30, 2018 was \$21,590 for stock exchange fees, transfer agent fees and the electronic filing of disclosure documents on SEDAR compared to \$32,800 for the nine months ended June 30, 2017. The decrease in costs over the prior period is due to the cost of filing disclosure documents relating to a Private Placement.

Investor relations and travel for the nine months ended June 30, 2018 was \$16,717 compared to \$8,325 for the nine months ended June 30, 2017. The increase is related to travel expenses incurred to negotiate the Char Crete Settlement in the current period.

Total exploration and evaluation costs decreased in the nine month period ended June 30, 2018 by \$149,475 (2017 - an increase of \$124,215) to a cumulative total of \$8,611,542 compared to \$8,761,017 at September 30, 2017. The decrease is due to the Company making the required Advance Royalty payment on the Manigotagan Property and the sale of the Timmins Property. See *Recent Events*.

Selected Quarterly Financial Data

	June 30, 2018 \$	March 31, 2018 \$	December 31, 2017 \$	September 30, 2017 \$	June 30, 2017 \$	March 31, 2017 \$	December 31, 2016 \$	September 30, 2016 \$
Interest Income	-	-	-	-	-	94	-	-
Income (loss) and comprehensive income (loss)	(247,916)	(1,079,773)	41,233	(1,066,367)	(160,227)	(150,627)	(175,417)	(194,771)
Income (loss) per share, basic and diluted	(\$0.002)	(\$0.008)	\$0.000	(\$0.008)	(\$0.001)	(\$0.001)	(\$0.001)	(\$0.002)
Total assets	106,794	265,451	695,023	604,859	2,291,633	22,047	23,695	39,661

Liquidity and Capital Resources

The mineral properties of the Company are in the exploration and development stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's properties depends on the ability of the Company to obtain financing.

If the Company's exploration programs are successful, additional funds will be required to develop the Company's properties and to place them into commercial production. The only source of future funds presently available to the Company is through the issuance of share capital, or by the sale of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing or sale of an interest in the future will depend in part upon the prevailing market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised through the issuance of shares, control of the Company may change and shareholders may experience dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations. The Company does not consider the exercise of any warrants or options outstanding as a potential source of financing.

As at June 30, 2018, the Company had cash of \$65,342 (September 30, 2017 - \$534,981) to settle current liabilities of \$69,862 (September 30, 2017 - \$3,416,465). As such, liquidity risk for the Company should be considered high. All of the Company's financial trade liabilities have contractual maturities of less than one three months and are subject to normal trade terms.

As at June 30, 2018, the Company had working capital of \$36,932 (September 30, 2017 - working capital deficiency of \$2,811,606). The deficiency in working capital in 2017 was due to the Convertible Debenture being classified as a current liability. In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one year. There can be no assurance that Claim Post will be successful in its efforts to arrange additional financing on



terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of Claim Post may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

The Company's interest rate risk related to interest-bearing obligations and deposits is as follows:

The interest incurred on the convertibles debentures is at a fixed interest rate and therefore not exposed to changes in market interest rates. The fair value of fixed-rate debt fluctuates with changes in the market interest rate but the related future cash flows do not change. The fair value of the equity conversion option derivative embedded in the convertible debentures is exposed to interest rate risk as the valuation technique requires interest rate as an input.

The Company was subject to 1% per month on an outstanding property payment (Note 3, Manigotagan Property). The Company was subject to interest rate risk on the outstanding loan given that the rate was tied to the prime interest rate set by major banking institutions, which is subject to change without notice. Interest rate risk on the outstanding property payment is considered to be minimal since the rate is fixed at 1% per month.

Transactions with Related Parties

As at June 30, 2018, the trade and other payables balance includes related party amounts of \$10,659 (September 30, 2017 - \$172,432). The related parties are directors and officers of the Company and entities over which executive management and directors have control or significant influence. The amounts are for services rendered during the three months and arose as a result of transactions entered into with the related parties in the ordinary course of business.

The Company incurred \$33,828 (2016 – \$nil) in legal fees to a firm where an officer is a partner.

On June 21, 2017 closed a non-brokered private placement of unsecured convertible debentures (see Note 12), for total proceeds of \$3,093,000 of which \$1,055,000 was received from directors of the Company.

Compensation of key management personnel of the Company

The remuneration of directors and other members of key management personnel during the three and nine months ended June 30, 2018 and 2017 were as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2018	2017	2018	2017
Management and consulting fees ¹	\$ 1,500	\$ 31,500	\$ 54,078	\$ 94,500

¹ Management and consulting fees include amounts incurred as a result of services rendered by both the former CEO and the CFO of the Company. Claim Post relies on the experience and expertise of the formers President and Chief Executive Officer. The Company had secured his services on a month-to-month basis pursuant to a verbal consulting agreement, and had paid him a monthly fee for his services. The Company's Chief Financial Officer is also paid for services on a consulting basis.

Legal Proceedings

On July 5, 2013 Claim Post received notice from legal counsel for Simmons Construction Limited requesting information on the purchase of leases from Char Crete in connection with the Seymourville Property (See Note 3 to the unaudited interim condensed financial statements for the three months ended June 30, 2018 and 2017 for additional details). The notice indicated that Simmons Construction Limited, acting on its own behalf and as agent for others (the "Simmons Group"), holds a debenture from Char Crete that creates a security interest in the undertaking and all the assets of Char Crete. The Simmons Group claim purports to include the nine quarry leases purchased by Claim Post. The total principal of the debenture on all Char Crete assets is \$1,243,458.

The Simmons Group registered its security interest under the Manitoba Personal Property Security Act on January 15, 2013, after Claim Post had purchased these leases from Char Crete. The Simmons Group debenture was executed on November 29, 2012. Accordingly, Claim Post takes the position that the

Simmons Group security interest did not attach to the Char Crete quarry leases as they were not owned by Char Crete as at the date of the debenture registration. In July 2013, the Company initiated legal proceedings to enforce the Char Crete Agreement and has brought an application for a determination and a declaration as to the ownership of said leases. On January 13, 2017 the Company received permission to conduct exploration activities on the nine quarry leases which remain registered under Char Crete Ltd. ("Char Crete") due to certain legal issues.

On May 28, 2018, the Company announced that it has acquired title to and control over nine quarry leases from a number of third parties, including Char Crete Ltd., Simmons Construction Ltd. and O/S Investment Corp. for a total investment of \$1.3 million. These leases are directly adjacent to Claim Post's existing quarry leases, consolidating Claim Post's strategic control over the Tier 1 Frac Sand deposit at Seymourville, Manitoba. The Company made payment of \$1.3 million on August 3, 2018 and Title to the said claims have been transferred to Claim Post. Upon Claim Post attaining commercial production of frac sand, Claim Post is entitled to recover this payment plus interest at 9%, compounded annually before the production royalty commences. The terms of the production royalty remain unchanged from those contained in the previously disclosed arrangement with respect to these leases.

The Company is currently appealing a small claims court judgment where it was found responsible for non-payments of approximately \$25,000 for rents payable from July 2015 to August 2016, relating to its core shack and equipment storage unit in Timmins, Ontario.

Other Information

Additional Disclosure for Venture Companies without Significant Revenue

The following is additional financial information for the period regarding the Company as required by National Instrument 51-102 – Continuous Disclosure Obligations, for TSX-V issuers.

	June 30, 2018	June 30, 2017
Exploration and evaluation expenditures	\$ (149,475)	\$ 124,215
Administrative expenses	\$ 1,214,721	\$ 362,056
Total assets	\$ 106,794	\$ 2,291,633
	<i>For the nine months ended June 30, 2018</i>	<i>For the nine months ended June 30, 2017</i>
Exploration and evaluation expenditures	Expensed	Expensed
Acquisition costs	\$ 100,000	\$ 42,760
Sale of Timmins property	(350,000)	-
Consulting	54,000	54,000
Field offices	2,000	4,529
Metallurgical work	26,758	-
Assays	9,868	-
Other exploration and evaluation expenditures	7,899	22,926
Total exploration and evaluation expenditures	\$ (149,475)	\$ 124,215

	<i>For the nine months ended June 30, 2018</i>	<i>For the nine months ended June 30, 2017</i>
Administrative Expenses		
General and administrative	\$ 70,525	\$ 109,825
Interest and accretion on debenture	-	1,571
Professional fees	371,709	209,535
Share-based payments	734,180	-
Investor relations and travel	16,717	8,325
Shareholders' information	21,590	32,800
	\$ 1,214,721	\$ 362,056
Outstanding share data		
	As at June 30, 2018	As at June 30, 2017
Issued and outstanding common shares	188,216,899	124,883,908

Significant Accounting Policies

Dividends

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

Assessment of Recoverability of Future Income Tax Assets

In preparing the financial statements, the Company is required to estimate its income tax obligations. This process involves estimating the actual tax exposure together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. The Company assesses, based on all available evidence, the likelihood that the future income tax assets will be recovered from future taxable income and, to the extent that recovery cannot be considered "more likely than not," a valuation allowance is established. If the valuation allowance is changed in a period, an expense or benefit must be included within the tax provision on the income statement.

Assessment of Recoverability of HST Recoverable

The carrying amount of HST Recoverable is considered representative of its values. The Company assesses the likelihood that HST will be recovered and, to the extent that recovery is considered doubtful, a provision for doubtful accounts is recorded.

Critical Accounting Policies

Going Concern

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of interest in mineral properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs to the carrying values. From time to time, the Company stakes claims strategically and drops claims that are deemed to be of low value.



The Company has historically relied on equity financing to raise capital and future raises may be impacted by the current global situation and economic uncertainties. Management has considered how these conditions may impact the Company's viability given its current capital structure and considers that until the outcome of financing activities is known there is significant doubt about the Company's ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, aboriginal claims, unregistered claims, and non-compliance with regulatory and environmental requirements.

Management plans to secure the necessary financing through the issuance of new equity or debt instruments, and/or by entering into joint venture arrangements. Nevertheless, there is no guarantee that these initiatives will be successful.

The Company will require substantial additional funds to further explore and, if warranted, develop its exploration properties. The Company has limited financial resources and no current source of recurring revenue, and there is no assurance that additional funding will be available to the Company to carry out the completion of its planned exploration activities. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and property development. The terms of any additional financing obtained by the Company could result in substantial dilution to the shareholders of the Company.

Income Tax

The Company accounts for income taxes in accordance with the asset and liability method. The determination of future income tax assets and liabilities is based on the differences between the financial statement and the income tax bases of assets and liabilities, using substantively enacted tax rates in effect for the period in which the differences are expected to reverse. Future income tax assets are recorded to recognize tax benefits only to the extent that, based on available evidence, it is more likely than not that they will be realized.

Cash

Cash consists of cash held with a Canadian chartered bank.

Loss per Share

Basic loss per share is determined by dividing the net loss by the weighted average number of ordinary shares outstanding during the financial period. Diluted loss per share is calculated using the treasury stock method. The amount is the same as basic loss per share as the effect of including potential issues of shares under option or from warrant exercises would be anti-dilutive.

Capital Management

The Company includes shareholders equity (deficit) in the definition of capital.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties and to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

All of the properties in which the Company currently has an interest are in the exploration stage with no operating revenues; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if management feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Recent market conditions have and are expected to continue to have an adverse impact on the ability of junior mining exploration companies to secure equity funding. The Company has historically relied on equity



financing to raise capital and will continue its attempts to do so. Although Claim Post was successful in securing debt and equity financing in the current and recent periods, there is no guarantee that future fundraising attempts will be equally successful.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company classifies financial instrument fair values in a hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates;

And

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

Cash is classified as level 1.

Convertible debenture is classified as level 3. At June 30, 2018, the Company had a hybrid financial instrument resulting from its convertible debentures, which contained certain conversion features, redemption options, and other features. The fair value of the hybrid instrument was determined using a probability analysis based on management's best estimate of the settlement of the hybrid instrument. The key inputs used to determine fair value were stock price volatility, conversion price, fair value per share, and the estimated remaining term of the debenture notes.

The selection of assumptions of settlement were made based on a weighting of possible settlement outcomes.

Financial Risk Factors

Financial Liabilities

Financial liabilities classified as other-financial-liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other-financial-liabilities are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's trade and other payables, property taxes payable and due to related parties are classified as other-financial-liabilities.

Financial liabilities classified as Fair Value Through Profit or Loss ("FVTPL") include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive loss. At June 30, 2018 the Company has classified convertible debt as FVTPL.

Convertible borrowings

On issue of a convertible borrowing, the fair value of the liability component is determined based on whether the financial instrument is a compound instrument or a hybrid instrument. In a compound instrument, the liability component is determined by discounting the contractual future cash flows using a market rate for a non-convertible instrument with similar terms. In a hybrid instrument, the liability component is the residual value of the proceeds after the equity conversion option derivative fair value is determined unless the entire convertible financial instrument is designated as financial liability at fair value through profit or loss, in which case, the entire convertible financial instrument is measured at fair value.

Subsequent to initial recognition, the debt component of both a compound and a hybrid financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition. The equity conversion option of a hybrid financial instrument is marked to market at the reporting date and changes to fair value are charged or credited in profit or loss.



The convertible debentures were determined to be a hybrid financial instrument upon inception, as they could be converted to share capital at the option of the holder for the debt and accrued interest amount.

The Company designated the convertible debentures as a financial liability measured at fair value through profit or loss, thus, the entire instrument is measured at fair value and recorded as a single financial liability, with changes in the fair value being recorded in profit or loss.

Risks

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(i) Credit Risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment. The Company's credit risk is primarily attributable to cash and receivables and other assets included in current assets. The Company has no material concentration of credit risk arising from operations. Cash consists of bank deposits, which are held by a Canadian chartered bank, and management believes the risk of loss is remote. The Company's receivables and other assets are normally collected within a 60-90 day period. The Company has not experienced any significant collection issues to June 30, 2018.

The Company's maximum exposure to credit risk as at June 30, 2018 is the carrying value of cash.

(ii) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due and ensuring an adequate supply of funds to enable the Company to carry out its intended programs. As at June 30, 2018, the Company had a cash balance of \$65,342 (September 30, 2017 - \$534,981) to settle current liabilities of \$69,862 (September 30, 2017 - \$3,416,465). As such, liquidity risk for the Company should be considered high. All of the Company's financial trade liabilities have contractual maturities of less than one three months and are subject to normal trade terms.

As at June 30, 2018, the Company had working capital of \$36,932 (September 30, 2017 – working capital deficiency of \$2,811,606). In order to meet its longer-term working capital needs and property exploration expenditures, the Company intends on securing additional financing to ensure that those obligations are properly discharged. As such, management believes that the Company will then have sufficient working capital to discharge its current and anticipated obligations for a minimum of one three months. There can be no assurance that Claim Post will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised through the issuance of shares from the treasury of the Company, control of Claim Post may change and shareholders may experience additional dilution. If adequate financing is not available or cannot be obtained on a timely basis, the Company may be required to delay, reduce the scope of, or eliminate one or more of its exploration activities or relinquish some or all of its rights to certain of its interests in mineral properties.

(iii) Interest Rate Risk

The Company's interest rate risk related to interest-bearing obligations and deposits is as follows:

The interest incurred on the convertibles debentures is at a fixed interest rate and therefore not exposed to changes in market interest rates. The fair value of fixed-rate debt fluctuates with changes in the market interest rate but the related future cash flows do not change.

The Company was subject to interest charges of prime plus 5% on related party loans payable (Note 11) and 1% per month on an outstanding property payment (Note 4, Manigotagan Property). The Company was subject to interest rate risk on the outstanding loan given that the rate was tied to the prime interest rate set by major banking institutions, which is subject to change without notice. Interest rate risk on the outstanding property payment is considered to be minimal since the rate is fixed at 1% per month.

Additional Capital

The continued exploration by the Company will require substantial additional financing. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available,



the terms of such financings will be favorable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing since the equity investment that constitutes the primary asset of the Company is linked to such prices.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

The most significant estimates and judgments relate to, but are not limited to, the following:

- accounting for convertible debenture as a hybrid investment measured at fair value;
- accounting policy for exploration and evaluation expenditures as an expense;
- ownership and control of property requires the use of judgment; and
- assessment of the going concern assumption as detailed in Note 1 to the financial statements.

Forward Looking Statements

This Management's Discussion and Analysis includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the mining industry (including operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Claim Post to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Claim Post to fund the capital and operating expenses necessary to achieve the business objectives of Claim Post, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Claim Post. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Claim Post should not place undue reliance on these forward-looking statements. Statements in relation to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive. The forward-looking statements contained in this document are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or in any other documents filed with Canadian securities regulatory authorities, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. The forward-looking statements are expressly qualified by this cautionary statement.

Dated August 28, 2018

"Lowell Jackson"
Interim President