



## **MANAGEMENT DISCUSSION & ANALYSIS**

**FOR THE PERIOD ENDED  
AUGUST 31, 2018**

### **Introduction**

The following discussion is management's assessment and analysis of the results and financial condition of Great Atlantic Resources Corp. ("the Company") and should be read in conjunction with the accompanying financial statements for the period ended August 31, 2018 and related notes. The financial information in this MD&A is derived from the Company's financial statements prepared using accounting policies consistent with IFRS and in accordance with International Accounting Standard 34 ("IAS 34") – Interim Financial Reporting.

All monetary amounts are in Canadian dollars unless otherwise specified. The effective date of this MD&A is October 29, 2018.

Additional information regarding the Company and its operations can be obtained from the office of the Company or on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Description of Business**

Great Atlantic Resources Corp., ("the Company") is an exploration company engaged in exploration and evaluation of resources properties. In this regard, the Company's plan is to acquire properties of merit and take them through the exploration phase and hopefully through feasibility and on to construction and operations.

The Company has been focused on acquiring and exploring mineral properties in the Atlantic Canada region. This region was rich in historical mining with many past producing mines in the region that have seen little to no drilling or modern day exploration programs.

The Company is a reporting issuer in British Columbia and Alberta and its shares are listed on the TSX Venture Exchange under the symbol GR.V.

### **Overall Performance**

The level of the Company's future operations will be determined by the availability of capital resources, which will be derived from the issuance of special warrants and future financings.

The Company has incurred losses since its inception, and had an accumulated deficit of \$15,934,735 as at August 31, 2018 which has been funded primarily by the issuance of shares. The Company has no source of operating cash flows and expects to incur further losses in the exploration and development of its mineral properties. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, and generating profitable operations in the future.

Activities of the Company are focusing on the development of mineral exploration projects in Atlantic Canada region, primarily through acquisitions.

### Private Placement and Share issuance

- i) On February 26, 2018, the Company signed an equipment purchase agreement with an independent third party to purchase a turnkey portable Gold mining plant for 1,100,000 million shares. The shares, valued at \$99,000, were issued on March 12, 2018 upon regulatory approval.
- ii) May 11, 2018, the Company issued 118,000 shares with a fair value of \$10,000 pursuant to an option agreement on the Pilley's Island Property.
- iii) July 6, 2018, the Company issued 666,667 shares with a fair value of \$50,000 pursuant to an option agreement for the Golden Promise Property.
- iv) July 31, 2018, the Company completed a private placement, raising gross proceeds of \$200,000 by issuing 4,000,000 common shares at \$0.05 per unit. Each unit consists of one common share and one share purchase warrant. One share purchase warrant entitles the holder to purchase one additional common share of the Company at \$0.075 per share for a period of two years.
- v) August 14, 2018, the Company completed a private placement, raising gross proceeds of \$370,000 by issuing 7,400,000 common shares at \$0.05 per unit. Each unit consists of one common share and one share purchase warrant. One share purchase warrant entitles the holder to purchase one additional common share of the Company at \$0.075 per share for a period of two years
- vi) During the period ended August 31, 2018, the Company issued 200,000 common shares upon the exercise of share purchase warrants. Cash proceeds received total \$13,000.

### Exploration Project

Cumulative acquisition and exploration costs incurred by the Company to date on its mineral properties are summarized below.

	Porcupine \$	South Quarry \$	Keymet \$	MacDougal Road \$	Pilley's Island \$	Golden Promise \$	Mitchell Brook \$
<b>Balance, February 28, 2017</b>	304,111	417,749	442,587	134,278	-	114,655	20,615
Acquisition Costs	-	-	-	-	100,000	115,000	-
Sale Proceeds	(122,500)	-	-	-	-	-	-
Exploration Costs	11,020	92,700	182,295	7,475	163,690	236,972	-
<b>Balance, February 28, 2018</b>	192,631	510,449	624,882	141,753	263,690	466,627	20,615
Acquisition Costs	-	-	20,000	-	-	175,000	-
Exploration Costs	-	14,903	54,731	-	35,429	162,756	-
<b>Balance, August 31, 2018</b>	192,631	525,352	699,613	141,753	299,119	804,383	20,615

	Kagoot Brook \$	Mascarene \$	Mount Raymond \$	General Exploration \$	Properties Terminated Prior to February 28, 2016 \$	Total \$
<b>Balance, February 28, 2017</b>	-	-	-	366,641	2,297,125	4,097,761
Acquisition Costs	30,000	-	-	-	-	245,000
Sale Proceeds	-	-	-	-	-	(122,500)
Exploration Costs	9,300	4,175	9,097	216	-	716,940
<b>Balance, February 28, 2018</b>	39,300	4,175	9,097	366,857	2,297,125	4,937,201
Acquisition Costs	-	15,000	-	-	-	210,000
Sale Proceeds	(25,000)	-	-	-	-	(25,000)
Exploration Costs	979	5,806	-	2,370	-	276,975
<b>Balance, August 31, 2018</b>	15,279	24,981	9,097	369,227	2,297,125	5,399,176

Acquisition and exploration costs incurred in the three months ended August 31, 2018 totaled \$461,975 (2017 – \$336,957).

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing. All properties are located in Canada.

#### Porcupine Property, New Brunswick, Canada

During the year ended February 28, 2017, the Company signed an amended option agreement with the vendors, whereby both parties agreed to extend the fourth anniversary option payment originally due on October 12, 2015 to June 12, 2017. As part of this agreement, the Company agreed to issue an additional 100,000 common shares fair valued at \$10,000 to the vendors.

During the year ended February 28, 2018, the Company entered an option agreement with Fort St James Nickel Corp. (“FTJ”) to sell the Porcupine Property. Under the terms of the option agreement, FTJ is required to make the following payments to earn a 100% interest in the property: (i) a payment of \$15,000 cash (received) and 500,000 common shares valued at \$107,500 at the time of grant within five days of the approval date (received); (ii) a cash payment of \$20,000 and \$75,000 in common shares on or before the first anniversary of the approval date; (iii) a cash payment of \$20,000 and \$75,000 in common shares on or before the second anniversary of the approval date; (iv) a cash payment of \$20,000 and \$75,000 in common shares on or before the third anniversary of the approval date; (v) a cash payment of \$75,000 and \$200,000 in common shares on or before the fourth anniversary of the approval date. FTJ is also required to spend \$1,000,000 in exploration expenditures on the property over a four year period with a minimum of \$150,000 each year.

The property consists of three separate mineral claims (129 total claim units) covering approximately 2,830 hectares. The Company completed a soil geochemical program in 2011 confirming Heavy and Light Rare Earth Elements (HREE and LREE) anomalies in the southern region of the property.

The company completed a trenching program in the northwest region of the property in 2012. A base metal and silver bearing mineralized shear zone was exposed in one trench referred to as the Line 4W Trench. The maximum observed zone width is 4.5 meters and within a few meters along strike this narrows to 1.5 meters. Channel samples were taken from the shear zone. One channel across the zone returned 1.88 % Zn, 0.88% Pb, 0.16% Cu and 11.1g/t Ag / 1.4 meters. Another 1 metre channel sample across the zone returned 5.48% Zn, 1.08% Pb, 0.36% Cu and 10.8

ppm Ag. During the course of stripping this zone, abundant large boulders of sheared felsic volcanics were seen to occur at the contact of the till and the bedrock surface within the lodgement till. While these boulders are visually similar to those uncovered in the trenching, geochemically they are quite different – particularly in their Bismuth (Bi) content. The bedrock sampling showed the exposed zone to contain 10 – 20 ppm Bi whereas the “float” samples contain between 130 and 210 ppm Bi, indicating a similar but separate source for the float material. The occurrence of these mineralized boulders wedged into depressions in the bedrock surface initially led to the conclusion that the boulders were actually broken bedrock from the immediate area. When the exposure was washed and the till more closely examined, it became apparent that the more strongly mineralized float was carried by the ice from a location to the west.

A summary of the channel samples is listed below;

Sample #	Width meters	Ag-g/t	Cu-ppm (%)	Pb - %	Zn-ppm (%)	Bi-ppm
T4W- 1	1.4	11.1	1640 (0.16)	0.88	18800 (1.88)	21
T4W- 2	4.6	7.86	2300 (0.23)	0.67	7500 (0.75)	8.6
T4W- 3	1.0	10.8	3650 (0.37)	1.08	54800 (5.48)	14

Geophysical and geochemical surveys completed in 2011 identified a strong chargeability anomaly associated with the contact zone between a foliated biotite granite and mafic metavolcanics of the Lower Ordovician Malcolm Brook Formation which was 75 to 100 meters in width, 600 meters in length and open to the east. Follow-up “B” horizon soil geochemistry outlined a coherent Lead (Pb) - Zinc (Zn) anomaly of up to 600 parts per million (ppm) Pb + Zn lying immediately downslope of the Induced Polarization (IP) anomaly.

The Company completed soil and rock geochemical sampling during 2015-2015. Soil geochemical anomalies were identified in the southern region of the property for cobalt, copper, lead, tungsten and lanthanum. Some float samples from the southern region of the property were anomalous for lead.

#### Keymet Property, New Brunswick, Canada

The Keymet Precious and Base Metal Property consists of 2 mineral claims (154 total claim units) covering approximately 3,380 hectares and is named after a small past producing mine located on the property. The New Brunswick Dept. of Energy and Resource Development Mineral Occurrence Database and Mineral Assessment Report files contain historic information on the Keymet Property. The Keymet area first came to note in 1909 with a 3 meter deep shaft reported at the Keymet deposit. A 1913 drill hole at the deposit was reported to intersect a 7.6 meter (core length) zone with lead, zinc and copper mineralization. Significant diamond drilling was reported at the Keymet deposit between 1947 and 1952 with 38 holes completed. A 5.1 meter core length intersection was reported to grade 7.85% Zn, 6.35% Pb and 3.65 ounces per ton (oz./ton) Ag. By the early 1950s, the No. 1 zone at the Keymet deposit was reported to be 91 meters long, averaging 3.4 meters wide and drilled to 137 meters depth. Reported assays from surface exposure included 4.2 meters of 8.48%Pb, 10.99%Zn, and 2.96 oz. / ton Ag. By 1954 a shaft had been sunk to the 274 meter level with drifts established on the 45, 91, and 137 meter levels. Production commenced in 1954 and by 1956, the shaft was down to the 366 meter level. Production ceased in 1956 when a fire destroyed the mine buildings. Production between 1954 and 1956 was reported to total 59,000 tonnes at 0.25% Cu, 2.44%Pb, 2.59% Zn and 0.99 oz./ton Ag.

The Company's geologists have collected grab samples from the dump rock at the Keymet shaft and a typical Pb/Zn sample from the ore dump ran 549 gpt Ag, 2.35% Cu, 33.90% Pb and 22.90%Zn. A sample of massive pyrite with stringer chalcopyrite, galena, sphalerite and arsenopyrite assayed 415 gpt Ag, 4.22% Cu, 1.23% Pb, and 1.48% Zn. The Company's geologists have located gold bearing float boulder in the northern region of the property northwest of the historic Keymet mine with boulder samples returning up to 51 g/t Au.

During 2015, the Company conducted trenching and diamond drilling in the northwest region of the property, approximately 1.3-1.6 kilometers northwest of the historic Keymet Mine. The July 2015 trenching program was conducted in the area of the Elmtree 12 base metal and silver vein occurrence and an area of gold soil anomalies, gold bearing float and gold bearing trench bedrock as discovered by Great Atlantic during 2011 and 2012. Nine trenches were excavated. Grab and channel samples of bedrock and grab samples of float in till were collected in

some trenches and submitted to ALS Minerals for multi-element analysis and gold assay. The samples were assayed for gold by Fire Assay – Atomic Absorption Spectroscopy (AAS) and analyzed for 33 elements (including silver, lead, zinc, copper, bismuth and molybdenum) by Four Acid, Inductively Coupled Plasma – Atomic Emission Spectroscopy (ICP-AES).

Trench 1 and Trench 6 were excavated at the documented location of the Elmtree 12 vein occurrence. Trench 1 exposed a northwest striking sulfide-rich vein cutting altered sediments. The vein appears to be sub-vertical to steeply dipping. Two adjacent 0.50 metre long channel samples were collected across the vein, perpendicular to its strike (samples were approximately 5 centimetres wide and 5 centimetres deep). The first channel sample returned 308 g/t Ag, 1.94% Cu and 1.525% Zn over 0.50 metre length. This sample was elevated in bismuth (280 ppm Bi) and molybdenum (110 ppm Mo). The adjacent parallel channel sample returned 244 g/t Ag, 2.23% Cu and 1.36% Zn over 0.50 metre length. These samples may not represent true width of the vein. Two pieces of mineralized vein float were uncovered at the till – bedrock interface in this trench and west of (up ice direction) the mineralized vein. One piece of float (estimated to be 12 by 10 by 10 centimetres) returned 472 g/t Ag, 5.14% Cu and 7.61% Zn. A sample from the second piece of float (approximately 30 by 30 by 20 centimetres) returned 324 g/t Ag, 3.31% Cu and 3.87% Zn. Trench 15-3 exposed a gold bearing zone (1.1 g/t Au over 4.9m in channel samples orientated approximately east-west subparallel to the long dimension of the trench). The orientation of the gold bearing zone was not determined. A fault zone is also exposed in the trench (west of the gold bearing zone) hosting base metal and silver mineralization. A grab sample from the fault zone returned 8.99% Pb, 1.76% Zn, 0.80% Cu and 237 g/t Ag.

During November 2015 the Company completed a diamond drilling program in the northwest region of the Keymet Property. The program consisted of four holes totalling 419 metres. The 2015 drilling program tested two base metal and silver bearing vein occurrences northwest of the historic Keymet Mine. These are the Elmtree 12 and Elmtree 13 vein occurrences. The Elmtree 13 occurrence is also referred to as the Elmtree Silver Mine. The first two holes tested the historic Elmtree Silver Mine vein occurrence while the final two holes tested the Elmtree 12 vein occurrence in the area of the 2015 Trenches 1 and 6. Veins containing zinc, lead and / or copper base metal sulfides were intersected in all four holes.

Highlights from the 2015 diamond drilling program include:

- Ky-15-1: 9.53% Zn, 9.01% Pb, 0.48% Cu and 66 g/t Ag over 0.51m core length
- Ky-15-3: 3.28 g/t Au over 2.10m core length
- Ky-15-3: 16.68% Zn, 0.44% Pb, 1.11% Cu and 152 g/t Ag over 1.80m core length
- Ky-15-4: 8.68% Zn, 0.20% Pb, 0.29% Cu and 44.8 g/t Ag over 4.28m core length

In the fall of 2017 the Company completed a diamond drilling program at the Keymet precious/base metal property. The drilling program (five holes totalling 679 metres) was conducted in the northwest region of the property, in the same area as the 2015 trenching program and 2015 drill holes Ky-15-3 and Ky-15-4. The 2017 drilling program tested the continuation of zinc, copper and silver bearing veins and gold mineralization intersected by Great Atlantic during 2015 diamond drilling and trenching programs. All five holes intersected veins hosting base metal sulphides while one hole intersected a new gold bearing zone associated with arsenopyrite mineralization. Gold mineralization on the property is associated with arsenopyrite.

Holes Ky-17-5, 6, 7 and 9 of the 2017 program were drilled in the same area as 2015 holes Ky-15-3 and 4. Each of these four holes intersected base metal bearing veins. Company management are interpreting the main veins to be within a steep dipping to vertical vein system to strike approximately north-south, with all Great Atlantic drill intersections to date being within an approximately 70 m strike length and shallow (above 100 m vertical depth). Hole Ky-17-6 intersected a new gold bearing zone appearing to be east to northeast of the main base metal bearing vein zone.

Hole Ky-17-8, located approximately 80 m southwest of holes Ky-17-5, 6 and 7, tested the down-dip extension of a gold bearing zone discovered by the company in a 2015 trench (channel samples returning 1.1 g/t Au over 4.9 m). The gold bearing zone in the trench is characterized by minor arsenopyrite in metasediments and increased quartz veining. A fault zone is also exposed in the trench hosting base metal and silver mineralization (2015 grab sample returned 8.99 per cent lead, 1.76 per cent zinc, 0.80 per cent copper and 237 g/t silver). The hole intersected veins with base metal sulphides approximately vertically under the trench fault zone.

Highlights from the 2017 drilling program include:

- Ky-17-5: 5.43% Zn, 0.19% Pb, 0.45% Cu and 60 g/t Ag over 2.75m core length  
(including) 13.65% Zn, 0.45% Pb, 1.20% Cu and 166 g/t Ag over 0.80m core length
- Ky-17-6: 3.53% Zn, 0.28% Pb, 0.92% Cu and 115.6 g/t Ag over 12.05m core length  
(including) 7.67% Zn, 0.48% Pb, 1.57% Cu and 209.3 g/t Ag over 4.95m core length
- Ky-17-6: 0.64 g/t Au over 19.96m core length
- Ky-17-8: 18.80% Zn, 1.16% Pb, 3.55% Cu and 576 g/t Ag over 1.27m core length
- Ky-17-9: 4.29% Zn, 0.23% Pb, 0.29% Cu and 55.4 g/t Ag over 1.38m core length

#### MacDougal Road, New Brunswick, Canada

During the year ended February 28, 2013, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Antimony Property located in Western New Brunswick. In consideration of the acquisition, the Company agreed to pay the vendor \$30,000 cash (unpaid) and to issue 150,000 shares (issued) over two years.

The property covers one mineral claim (15 claim units) covering approximately 330 hectares. Antimony bearing veins (stibnite) have been reported in the central part of the property in the area of the Woodstock Fault, a northeast trending, regional scale structure. This fault separates Cambro-Ordovician metasediments and mafic and felsic volcanics to the east side of the fault and Ordovician-Silurian age calcareous metasediments and limestones to the west. The Woodstock fault trends into the Gold-Antimony project at Golden Ridge (located 13 kilometres from the MacDougal Road property) where the mineralization is controlled by splay structures emanating from The Woodstock Fault zone. In the late 1990s Freewest Resources reported a sample of an antimony bearing vein in the central region of the MacDougall Road property to return 11.6% Sb (source: New Brunswick Dept. of Energy and Resource Development Mineral Assessment Report files).

In 2015 a total of 219 soil samples were collected the central region of the property. The samples were collected along 9 east - west traverses spaced at approximately 100 meters. Sample spacing along the traverses was approximately 25 metres. A total of 122 samples were submitted to ALS Global for analysis. These were samples from alternate traverses, including all samples from 5 traverses. The 122 samples were sieved to minus 180 micron, the sieved portion being analyzed for antimony by Four Acid and Inductively Coupled Plasma - Mass Spectrometry (ICP-MS). Thirty-one of the samples were also analyzed for gold by Fire Assay and Atomic Absorption Spectroscopy (AAS).

The analytical results for the 122 samples define a narrow, approximate north to northeast trending zone of antimony soil anomalies in the eastern part of the survey area. This zone covers a north - south distance of at least 800 metres and includes the area of the antimony bearing vein as reported by Freewest Resources. Twelve of the thirteen samples that exceeded 5 ppm Sb are from this zone, including samples returning 13.6, 23.8 and 62.8 ppm Sb. This zone is narrow varying from single sample antimony anomalies on two lines to multiple anomalous samples within 75 - 100 meter wide intervals on three lines. Analyses for the remaining 97 samples from the alternate lines are required to further evaluate this zone. The Company plans to submit the remaining samples for analysis. Three of the six soil samples from the southern - most traverse were weakly anomalous for gold, returning values of 5, 7 and 17 ppb Au.

#### South Quarry, Newfoundland, Canada

During the year ended February 28, 2013, the Company entered into an option agreement whereby the Company has been granted an option to acquire a 100% interest in the South Quarry tungsten property. In consideration of the acquisition, the Company agreed to pay the vendor \$135,000 cash (paid) and to issue 850,000 shares (all issued) over four years. The property is situated 85 kilometres south of Bishops Falls in east-central Newfoundland and covers 3,600 hectares. The property covers three separate tungsten occurrences as per the Newfoundland and Labrador Dept. of Natural Resources. One of the occurrences is located in the northern region of the property within a large quarry (referred to as the South Quarry) and an adjacent smaller quarry. In these quarries, tungsten mineralization (scheelite) occurs in quartz-feldspar-mica (pegmatite) veins. In the southern region of the property,

tungsten mineralization (scheelite) occurs in thin calc-silicate horizons within metagreywacke. This is referred to as the Camp Ten showing. The Company has also discovered tungsten bearing veins in the northern region of the property north-northeast of the South Quarry occurrence.

Historic exploration work in the area was primarily carried out by Kidd Creek Mines during the period 1983 to 1986. They conducted extensive ground magnetic, VLF-EM and IP surveys as well as till geochemistry, glacial studies, mapping, UV prospecting, stripping/trenching and 1,068 meters of diamond drilling at the Camp Ten and South Quarry target areas. Since that time, little exploration work has been done in the area.

Great Atlantic Resources recently employed the CARDS (Computer Aided Resource Detection System) technology, to further define potential Tungsten exploration targets on the property. This technology was developed by DIAGNOS Inc. a leader in the use of artificial intelligence and advanced knowledge-extraction techniques and makes possible the identification of sites having the same signature as known mineralized occurrences. DIAGNOS uses its proprietary technology to analyze geological, geophysical and geochemical to enable the identification of patterns hidden in the large amount of data each customer owns.

The Company commenced field work on the property in 2015, conducting prospecting and soil / rock geochemical surveys. The objective of this exploration program was to confirm tungsten mineralization and sample tungsten bearing boulders and bedrock and confirm and define tungsten soil anomalies in preparation for trenching and diamond drilling programs.

During the 2015 work program 490 soil samples were collected throughout the property. Sampling was conducted along east-west traverses and locally adjacent to the main paved road which transects the property from north to south. The soil samples were submitted to ALS Minerals for tungsten analysis by Lithium Metaborate Fusion and Inductively Coupled Plasma – Mass Spectrometry (ICP-MS). Soil samples from multiple regions of the property returned greater than 100 parts per million (ppm) tungsten, including a sample from the southern region of the property which returned 1380 ppm tungsten.

The program identified local tungsten soil anomalies in the northern half of the property. Tungsten mineralization was confirmed in rubble and bedrock at the two close-spaced quarries (including the South Quarry) in this region during the August 2015 rock sampling program which was completed concurrently with the soil sampling program. Multiple grab samples of quarry rubble assayed greater than 5% WO<sub>3</sub>. The soil sampling program confirmed tungsten soil anomalies (up to 116 ppm W) in the general area of these two quarries, interpreted by company management to be associated with the tungsten mineralization at the quarries. The program confirmed tungsten soil anomalies in three areas northwest, north and northeast of these quarries with up to 402 ppm W. Company management interpret these particular soil anomalies to possibly represent separate sources of tungsten mineralization as they are not in the documented down-ice glacial direction from the two quarries. The soil sampling program also identified local tungsten anomalies in the southern half of the property. Kidd Creek Mines Ltd. had previously reported tungsten mineralization in this region within narrow horizons described as calc-silicate horizons (reported up to 40 centimetres wide). The soil sampling program identified local tungsten anomalies in the area of reported trenching and drilling by Kidd Creek. Some soil samples in this area returned greater than 100 ppm W, including two samples which returned 320 and 1380 ppm W.

The Company conducted trenching in the northern region of the property during 2016. A total of 7 trenches were excavated north to northeast of the South Quarry. Scheelite was observed in veins in 4 trenches. The highlight was a 0.13 meter wide quartz vein exposed in Trench 3 of which a grab sample returned 0.72% WO<sub>3</sub>. Till samples were also collected from the walls of the trenches. Three till samples from Trench 1 exceeded 100 ppm WO<sub>3</sub>. Other till samples from this and other trenches also returned anomalous values for tungsten with samples from Trenches 1, 2, 3, 6 and 8 exceeding 50 ppm WO<sub>3</sub>. The Company conducted additional prospecting and rock sampling during 2017 and collected additional soil and till samples from 2016 Trench 3

#### Golden Promise Property, Newfoundland, Canada

During the year ended February 28, 2017, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Golden Promise Property in Newfoundland and Labrador. The property encompasses 60 stake lode claims located near the Town of Badger. In consideration, the Company agreed to pay the vendor \$35,000 in cash within three business days upon signing of the agreement (paid) and to issue a number of common shares equal to \$50,000 (833,333 common shares) upon regulatory approval (issued). The

Company will also make payments to the vendors totalling \$485,000 cash (\$65,000 paid in 2018) and issue \$450,000 in shares (\$50,000 issued in 2018) over the next four years. In July 2018, the Company paid \$125,000 and in August 2018 issued \$50,000 equivalent shares. In addition, the Company is required to spend a minimum of \$500,000 in expenditures on the property by July 05, 2020. Upon completion of the minimum work commitments and payments above, the Company will earn a 100% undivided ownership interest in the property.

There is a 2% to 2.5% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$1,000,000. The Company will pay the property owner annual royalty advance of \$20,000 commencing on the 7th anniversary and each subsequent year. All royalty payments contributed will be credited towards the royalty due to the property owner.

The Company also agreed to issue 250,000 common shares fair valued at \$15,000 as finders' fee; 170,000 common shares with a fair value of \$10,200 was issued in fiscal year 2017.

During the year ended February 28, 2018, the Company entered into an option agreement with Unity Resources Inc. ("Unity") under which the Company may acquire 100% interest of mining claims comprising the Pilley's Island Project, the Southern Golden Promise Project and the Point Leamington Project located in central Newfoundland. In consideration, the Company agreed to issue 1,000,000 shares fair valued at \$100,000 (issued) to the vendor within ten days upon regulatory approval. The Company will also make payments to the vendors totaling \$80,000 cash payments over five years or issue shares in equivalent value.

The Golden Promise and Southern Golden Promise Properties occur in central Newfoundland, near the town of Badger. The properties consist of 16 Licences covering an area of 16,525 hectares. The properties cover multiple gold-bearing quartz veins and occurrences of gold bearing quartz boulders. The majority of historic exploration has been focused in the northern part of the project area within the Golden Promise Property in the Jaclyn Zone where at least 5 gold bearing quartz vein systems are reported. These are the Jaclyn Main, Jaclyn East, Jaclyn North, Jaclyn South and Jaclyn West. High grade gold is reported at the Jaclyn Zone in historic drill holes (up to 327.9 g/t Au over 0.40 meters in drill core at the Jaclyn Main Zone). Gold recovery from a 2,241 tonne bulk sample collected in 2010 at the Jaclyn Main Zone was reported to average 4.47 g/t Au. Historic float samples in the Golden Promise Property include 335.9 and 353.4 g/t Au. Other gold bearing quartz veins are reported within the southern and central regions of the project. Historic exploration within the project area is documented in numerous mineral assessment reported on file with the Newfoundland Labrador Department of Natural Resources.

A historic mineral resource estimate was prepared in 2008 for the Jaclyn Main Zone. Form 43-101F1 TECHNICAL REPORT for the GOLDEN PROMISE, SOUTH GOLDEN PROMISE AND VICTORIA LAKE PROPERTIES, BADGER, GRAND FALLS, BUCHANS AND VICTORIA LAKE AREAS by Larry R. Pilgrim, B.Sc. P.Geo., And Gary H. Giroux, P.Eng. MASc., dated April 30, 2008 (As amended September 23, 2008) was completed for Crosshair Exploration and Mining Corp. and includes an historic mineral resource estimate for the Jaclyn Main Zone, reported to be completed by Gary H. Giroux, P.Eng. MASc. The Jaclyn Main Zone was reported to be traced over an 800 meter strike length to locally 265 meter vertical depth, being open to the east and down-dip (Pilgrim and Giroux, 2018). The 2008 mineral resource estimate was reported to be "based on the results of 68 drill holes that penetrated the Jaclyn Main Zone" (Pilgrim and Giroux, 2008). It was reported that "the zone was modeled to a minimum 1.5m width in two adjoining veins. The gold grade distribution within each vein was examined and erratic high grade assays were capped. Composites 1.5m in length were formed which honoured the vein boundaries. Semivariograms showed the longest ranges along strike and down dip. Blocks 10 m E-W by 2.5 m N-S by 5 m vertical were estimated by ordinary kriging. All blocks were classed inferred at this time due to drill hole spacing" (Pilgrim and Giroux, 2008). It was reported that "at a 1 g/t Au cutoff a total of 921,000 tonnes averaging 3.02 g/t Au (89,500 contained ounces of gold) are classed inferred" (Pilgrim and Giroux, 2008). Since the 2008 Technical Report, 16 additional diamond drill holes were completed at the Jaclyn Main Zone, mainly as in-fill drilling, with reported significant results. An up-dated mineral resource estimate has not been completed on this zone.

The Company is not treating the historical mineral resource estimate for the Jaclyn Main Zone, as stated in the 2008 Technical Report by Mr. Pilgrim and Mr. Giroux, as current mineral resources. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources. The Company is not treating the historical estimate as reliable as a qualified person has not completed sufficient work to classify the historical estimate as current mineral resources and additional more recent (2010) data exists for the Jaclyn Main Zone. A significant number of diamond drill holes (16 holes as listed in Appendix 2) were completed in 2010 at the Jaclyn

Main Zone, many reported to intersect the zone, including significant reported gold intersections. Data from 2010 also includes bulk sample, trench channel sample and drill cutting sample data for the Jaclyn Main Zone. The Company is treating the historic estimate as relevant in that it identifies the Jaclyn Main Zone as a priority gold bearing quartz vein system and a potential significant source of gold.

The Company conducted prospecting, and rock / soil geochemical sampling during 2017 at the Golden Promise and Southern Golden Promise properties. The Company also conducted trenching during 2017 at the Golden Promise Property at the Jaclyn Zone. Due to thick overburden, the trenches only rarely intersected bedrock. During prospecting and trenching at and east of the Jaclyn North Zone, gold bearing quartz boulders were located (both on surface and within the till). Float samples within and adjacent to these trenches include 30.2, 31.9, 163.9 and 332.6 g/t Au. Gold-bearing quartz float was also located during 2017 in the northern region of the Golden Promise Property in an area referred to as the Branden float occurrence. Two of the float samples returned 57.2 and 200 g/t Au. The Shawn's Shot gold bearing quartz vein was located in outcrop during 2017 in the central part of the project (south region of the Golden Promise Property). A 0.32 meter long chip sample across the vein returned 48.2 g/t Au.

#### Mitchell Brook Property, Nova Scotia, Canada

During the year ended July 30, 2018, the Company staked a Mineral Exploration License in eastern Nova Scotia approximately 120 kilometers northeast of Halifax. The License consists of 33 claims, covering an area of approximately 534 hectares, and is referred to as the Mitchell Brook Property.

#### Pilley's Island Property, Newfoundland, Canada

During the year ended February 28, 2018, the Company entered into an option agreement with Unity Resources Inc. ("Unity") under which the Company may acquire 100% interest of mining claims comprising the Pilley's Mine Project, the Southern Golden Promise Project and the Point Leamington Project located in central Newfoundland. In consideration, the Company agreed to issue 1,000,000 shares fair valued at \$100,000 (issued) to the vendor within ten days upon regulatory approval. The Company will also make payments to the vendors totaling \$80,000 cash payments over five years or issue shares in equivalent value.

The Pilley's Island Property is located in north-central Newfoundland. Pilley's Island is connected by road to the north coast of Newfoundland. The property consists of 10 Licences covering an area of 4600 hectares. The Pilley's Island Property hosts the historic Pilley's Island Mine (pyrite production), which operated during the 1890s and early 1900s. Pyrite, chalcopyrite, sphalerite and galena are reported at the historic Pilley's Island Mine. (source: Newfoundland and Labrador Dept. of Natural Resources Mineral Occurrence Database).

The Company conducted trenching during the fall of 2018 at a showing referred to as the Bull Road showing, located in the southern region of Pilley's Island. A trench was excavated in 2017 at this showing exposing sulfide mineralization over a northwest-southeast length of 130m with a width varying between 1-7m. The Bull Road showing is a polythitic slump breccia of volcanogenic massive sulphide mineralization containing massive sulphide clasts up to greater than a metre in length. The Company collected grab and channel samples from massive sulfide clasts. The channel samples were collected across selected clasts at generally right angles to the long dimension of the clasts. Bull Road Trench sample highlights include:

- 1.05 meter channel sample: 15.40% Zn, 6.60% Pb, 4.66% Cu, 111.5 g/t Ag and 1.008 g/t Au.
- 0.70 meter channel sample: 17.30% Zn, 0.10% Pb, 2.97% Cu, 31.2 g/t Ag and 0.449 g/t Au.
- 0.95 meter channel sample: 3.95% Zn, 0.73% Pb, 2.83% Cu, 62.2 g/t Ag and 0.613 g/t Au.
- 1.00 meter channel sample: 2.96% Zn, 0.03% Pb, 3.27% Cu, 30.4 g/t Ag and 0.563 g/t Au
- Outcrop grab sample: 40.8% Zn, 4.69% Pb, 6.08% Cu, 22.5 g/t Ag and 1.366 g/t Au.
- Outcrop grab sample: 32.60% Zn, 1.30% Pb, 8.38% Cu, 148.1 g/t Ag and 1.421 g/t Au
- Outcrop grab sample: 36.40% Zn, 5.50% Pb, 4.22% Cu, 59.9 g/t Ag and 0.325 g/t Au
- Outcrop grab sample: 27.5% Zn, 20.0% Pb, 5.78% Cu, 63.4 g/t Ag and 0.314 g/t Au

### Kagoot Brook Cobalt Property, New Brunswick, Canada

During the year ended February 28, 2018, the Company entered into an option agreement whereby the Company was granted an option to acquire 100% interest in the Kagoot Brook Cobalt Property located in North-Central New Brunswick. In consideration, the Company agreed to pay the vendor \$15,000 in cash (paid) and issue 150,000 shares fair valued at \$15,000 (issued) within ten days upon regulatory approval. The Company will also make payments to the vendors totaling \$125,000 cash and issue 150,000 in shares over the next four years.

There is a 2% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$500,000 upon the commencement of commercial production.

The Kagoot Brook Property is located approximately 85 kilometers southwest of Bathurst. It consists of 3 mineral claims (193 total claim units) covering an area of approximately 4,230 hectares.

Historic cobalt geochemical anomalies are reported within the Kagoot Brook Property. Cobalt stream and spring sediment anomalies were reported by the New Brunswick Dept. of Natural Resources in the early 1980s within the property with four samples from two streams reported to return highly anomalous values of 1259, 1261, 1297 and 1316 parts per million (ppm) cobalt. The New Brunswick Dept. of Energy and Resource Development Mineral Assessment Report files contain historic exploration data regarding the Kagoot Brook Property. Anomalous stream silt samples were reported by Brunswick Mining and Smelting in the mid-1980s in the same area including multiple samples reported to exceed 1,000 ppm cobalt (including one sample reported to return 6,000 ppm cobalt or 0.6% Co). Brunswick Mining and Smelting also reported anomalous copper, lead, zinc, silver and nickel stream silt samples and anomalous cobalt (reported up to 880 ppm or 0.088% Co) and copper soil samples within the Kagoot Brook Property. The source of these geochemical anomalies has not been identified.

Geophysics anomalies are reported within the Kagoot Brook Property, representing immediate drill targets. Geological Survey of Canada airborne 1986 magnetic and 1996 magnetic and electromagnetic (EM) surveys identified an area(s) of high conductivity and coincident magnetic anomalies in the east-central region of the property in the general area of geochemical anomalies, defining drill targets. More recent (2012-2017) induced polarization (IP) geophysics surveys by Vickers Geophysics Inc. in this region of the property identified anomalies, further defining drill targets. These include chargeability anomalies and resistivity low anomalies. A possible cause of such IP geophysics anomalies is sulfide mineralization.

On May 10, 2018, the Company entered into a letter of intent with Explorex Resources Inc. whereby Explorex will acquire a 75-per-cent interest in the Kagoot Brook cobalt project.

The Kagoot Brook property is 100 per cent owned by Great Atlantic and is subject to an underlying agreement with a prospecting syndicate. The agreement to acquire a 75-per-cent interest in the project is subject to the following terms:

- Cash payment of \$25,000 (Paid) and issuance of \$75,000 shares (Received) upon signing a definitive agreement
- Issuing \$50,000 in shares on the 12-month anniversary of the definitive agreement; the number of shares to be issued will be based on the 10-day VWAP (volume-weighted average price) immediately prior to the anniversary date
- Explorex will incur a total expenditure of \$750,000 (including all underlying payments) over a period of four years; of which \$100,000 will be a firm commitment on or before the first anniversary of the definitive agreement.

Upon earning 75 per cent of the project, the parties will enter into a joint venture. The terms will provide for a pro rata dilution such that should Great Atlantic's interest drop below 5 per cent, it will revert to a 3-per-cent net smelter return. Explorex will retain the right to buy back two percentage points at \$1-million for each 1 per cent, or portion thereof. Should Great Atlantic seek to sell any portion of the remaining NSR, Explorex will retain a first right of refusal.

### Mascarene Property, New Brunswick, Canada

During the year ended February 28, 2018, the Company entered into an option agreement whereby the Company was granted an option to acquire a 100% interest in the Mascarene property located in New Brunswick. In consideration, the Company agreed to pay the vendor \$15,000 in cash within ten business days upon signing of the agreement (paid subsequent to year end) The Company will also make payments to the vendors totaling \$185,000 cash over the next five years.

There is a 2% net smelter royalty payable to the property owner with the Company retaining the right to purchase one percent for \$1,000,000 upon the commencement of commercial production.

The Mascarene Property is located in southwest New Brunswick, near the town of St. George. The property consist of 5 mineral claims (95 total claim units) covering an area of approximately 2,080 hectares.

The Mascarene Property is reported to contain multiple copper +/- nickel, cobalt, lead, zinc, gold and silver occurrences with historic pits / shafts dating back to the 1800s (N.B. Dept. of Energy and Resource Development Mineral Assessment Report files and Mineral Occurrence Database). Sulfide bearing veins are reported at some of these sites. Mafic intrusive (gabbro) is reported at some sites. Magnetic geophysics anomalies occur within the property, some over 5km long. Great Atlantic is targeting these anomalies as potential sources of mafic intrusive hosted copper-cobalt-nickel mineralization.

Historic 2004, 2011 and 2012 grab samples from the property are reported to contain significant levels of copper, cobalt, nickel and / or gold (source: N.B. Dept. of Energy and Resource Development Mineral Assessment Reports). These include samples from the mine dump adjacent to the historic Oliver Cameron shaft, of which at least 13 samples are reported to exceed 1% Cu (up to 7.73% Cu reported) while also reported to return up to 0.52% Co, 0.38% Ni and 4.67 g/t Au. The Oliver Cameron workings are located in the eastern region of the property. Two rubble samples reported at the near-by historic Oliver shaft were reported to return 15.6% Cu and 0.993 g/t Au; and 17.5% Cu and 21.8 g/t Au. Grab samples from a pit in this east region were reported to return up to 0.45% Cu, 0.31% Co and 0.30% Ni. Samples from the area of the historic Wheel Louisiana workings in the southern region of the property were reported to return up to 3.44% Cu and 4.79 g/t Au and reported to contain anomalous amounts for cobalt and nickel. Mafic intrusions are reported at the Wheel Louisiana site.

A 2002 airborne magnetic survey conducted by the New Brunswick government identified magnetic anomalies within the Mascarene Property. Great Atlantic management speculate these anomalies to be associated to a buried mafic intrusion(s) and a potential target for mafic intrusive hosted copper-nickel-cobalt deposits. Company management speculate that reported shallow vein-type mineralization at historic workings on the property over magnetic anomalies may be indicative of deeper mafic intrusive hosted copper-cobalt-nickel mineralized bodies. Of note the Mascarene Property is located approximately 30 km southeast of the St. Stephen Ni-Cu-Co deposits in which mineralization is reported in both gabbro, metasediment and at the contact of gabbro and metasediments (source: ABE Resources Inc. website). Readers are warned that mineralization at the St. Stephen Ni-Cu-Co deposits is not necessarily indicative of the mineralization on the Great Atlantic's Mascarene Property.

### Mount Raymond Property, New Brunswick, Canada

During the year ended February 28, 2018, the Company staked a Mineral Exploration License in New Brunswick, referred to as the Mount Raymond Property.

The Mount Raymond Property is located in northern New Brunswick, approximately 60 kilometers southwest of Bathurst. The property consists of one mineral claim (145 total claim units) covering an area of approximately 3,180 hectares. A cobalt-copper-nickel mineral occurrence is reported within the property as per the New Brunswick Dept. of Energy and Resource Development Mineral Occurrence Database and Mineral Assessment Report files. A 2011 diamond drill hole was reported to intersect 0.43% Cu, 0.12% Ni and 0.11% Co over 1.65 meter core length with mineralization reported to be gabbro hosted

**Property and Equipment**

	Mining Equipment \$	Total \$
<b>COST</b>		
Balance, February 28, 2018	-	-
Additions	99,000	99,000
Balance, August 31, 2018	<u>99,000</u>	<u>99,000</u>
<b>ACCUMULATED DEPRECIATION</b>		
Balance, February 28, 2018	-	-
Depreciation	6,188	6,188
Balance, August 31, 2018	<u>6,188</u>	<u>6,188</u>
<b>NET BOOK VALUE</b>		
Balance, February 28, 2018	<u>-</u>	<u>-</u>
Balance, August 31, 2018	<u>92,812</u>	<u>92,812</u>

**Marketable Securities**

Marketable securities consist of a portfolio of investments held for trading. The fair value of the marketable securities has been determined directly by reference to public price quotations in an active market. These marketable securities are comprised of common shares of publicly-traded companies, and are classified as fair value through profit or loss and measured at fair value with unrealized gains and losses recognized through the consolidated statement of operations.

	August 31, 2018 \$	February 28, 2018 \$
<b>Balance, Beginning of the Period</b>	233,911	1,589
Add: Additions	-	107,500
Less: Securities Sold	(1,589)	-
Add: Write-up (down) shares to market	(20,244)	124,822
<b>Balance, End of the Period</b>	<u>212,078</u>	<u>233,911</u>

During the period ended August 31, 2018, the Company recorded a gain on the sale of marketable securities of \$2,959 (2017 – \$Nil), respectively.

## Results of Operations

### Net Gain/Loss and Operating Expenses:

During the six month period ended August 31, 2018, the Company recorded a loss of \$803,246 or 0.02 basic and diluted loss per share, compared to \$708,279 or \$0.13 basic and diluted loss per share for the same period last year. The increase in spending is mainly attributed to a dramatic increase in exploration costs. Increases were also noted in the areas of professional fees and advertising/marketing, which is expected given the Companies focus on exploration, and fund raising to support their exploration program. The Company had reduced spending in the areas of consulting and travel. Their bottom line was improved with the receipt of the BC Mining Exploration Tax Credit totalling \$51,134.

Period Ended August 31, 2018 and 2017	2018 \$	2017 \$
Financial results:		
Net loss for the period	(803,246)	(708,279)
Basic and diluted loss per share	(0.02)	(0.03)
Balance sheet date		
Cash	775	28,063
Total assets	420,367	78,044
Shareholders' equity	(89,367)	(101,845)

Administrative and General Expenses:	Three Months Ended		Six Months Ended	
	2018 \$	August 31, 2017 \$	2018 \$	August 31, 2017 \$
Accounting, Audit and Legal	12,715	8,391	20,652	11,391
Advertising, Marketing and Investor Relations	38,566	66,875	75,640	66,875
Bank Charges and Interest	611	252	653	335
Consulting	750	61,500	750	64,000
Depreciation	6,188	-	6,188	-
Exploration	299,478	258,947	461,975	336,957
Insurance	7,002	-	7,002	-
Management	55,000	55,000	85,000	85,000
Office and Administration	25,821	32,836	50,086	50,003
Regulatory Fees and Transfer Agent	4,697	14,344	6,109	17,743
Rent and Utilities	20,650	18,771	39,749	37,545
Stock-Based Compensation	-	7,772	116,546	71,130
Travel and Accommodations	1,995	2,724	2,745	10,943
Rent and Office Recovery	(18,000)	(18,000)	(36,000)	(36,000)
	(455,473)	(509,412)	(837,095)	(715,922)

Other Expenses:	Three Months Ended		Six Months Ended	
	2018	August 31, 2017	2018	August 31, 2017
	\$	\$	\$	\$
BC Mining Exploration Tax Credit	16,000	-	51,134	-
Gain on Debt Forgiveness	-	-	-	6,787
Loss on Sale of Marketable Securities	2,959	-	2,959	-
Write-Up (Down) on Marketable Securities to Market	40,000	856	(20,244)	856
	58,959	856	33,849	7,643

### Three Months Ended August 31, 2018 Results of Operations

During the three month period ended August 31, 2018, the Company recorded a loss of \$396,514 or 0.01 basic and diluted loss per share, compared to \$508,556 or \$0.02 basic and diluted loss per share for the same three month period last year. The decrease in net income is due to the receipt of an exploration recovery grant of \$16,000 and the write up of marketable securities by \$40,000 in 2018. When comparing operating expenses from one period to the next, the differential is very little. Both quarters in their respective years showed differences in advertising and marketing, consulting and regulatory fees. The largest difference for this period, however, is consulting whereby the Company showed little (\$750) consulting fees compared to \$61,500 in 2017. Management has focused on execution of their exploration program this year requiring less third party services.

Differences in general administrative expenses incurred are as follows:

- Consulting fees of \$750 (2017 - \$61,500) in 2017, this reflects amounts paid to companies and individuals for strategic, project evaluation and future acquisitions.
- The Company incurred \$299,478 (2017 - \$258,947) in exploration expenditures on Atlantic Canada Projects. This increase demonstrates the Company's focus on their current exploration programs.
- The Company incurred \$1,995 (2017 - \$2,724) in travel.
- Management billed the Company \$55,000 (2017 - \$55,000) in consideration of management services provided by such director, including day to day administration for the Company overseeing regulatory filings and requirements. This is a contract rate and remains the same from the prior year.
- Audit and legal includes audit of \$12,715 (2017 - \$8,391) for legal and audit services. This increase is mainly attributed to an audit accrual recorded in preparation for the annual audit.
- Advertising, Promotion and Investor Relations of \$38,566 (2017 - \$66,875) paid for advertising and investor relation services. This reduction is due to the completion of a marketing program initiated in 2017 terminating in June 2018.
- The Company incurred \$25,821 (2017 - \$32,836) in office and administration costs during the year. These costs for both years included administration, office expenses, telephone, courier and postage, printing and insurance. These costs were higher for the year due to increase in administration fees and services.
- Rent of \$20,650 (2017 - \$18,771) paid for office space.
- Regulatory and transfer agent fees of \$4,697 (2017 - \$14,344) consisted of fees paid to regulatory bodies in Canada in connection with routine filings and includes filing fees for private placement. These costs will fluctuate from year to year depending on the number of public filings and share issuances that the Company completes.

- Rent reimbursements of \$18,000 (2017 – \$18,000) were received or accrued from companies under common control for use of the shared office space.
- The Company recorded \$6,188 (2017 - \$Nil) of non-cash expense due to the depreciation of equipment. Through the issuance of shares, the Company acquired a turnkey portable mining plant.

### **Summary of Quarterly Reports**

Results for the eight most recent quarters ending with the last quarter for the period ended August 31, 2018:

	August 31, 2018 \$	Three Months Ended May 31, 2018 \$	February 28, 2018 \$	November 30, 2017 \$
Revenue	Nil	Nil	Nil	Nil
Net income (loss)	(396,514)	(406,732)	(275,306)	(377,033)
Basic and diluted per shares	(0.01)	(0.01)	(0.01)	(0.01)

	August 31, 2017 \$	Three Months Ended May 31, 2017 \$	February 28, 2017 \$	November 30, 2016 \$
Revenue	Nil	Nil	Nil	Nil
Net income (loss)	(508,556)	(199,723)	(193,689)	(132,747)
Basic and diluted per shares	(0.02)	(0.01)	(0.01)	(0.01)

Over the last eight quarters, the Company has been exploring and acquiring property projects in Atlantic Canada and the majority of the loss each quarter relates to the expenditures incurred in maintaining the operations of the Company and indirect cost in supporting the Company's Projects. The other main contributor to the losses is non-cash stock based compensation incurred on the grant of stock options done periodically over the last eight quarters.

Mineral exploration is typically a seasonal business, and accordingly, the Company's operating expenses and cash requirements will fluctuate depending upon the season and the level of activity. The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company's activity levels and the size and scope of planned exploration projects will typically increase.

### **Liquidity and Capital Resources**

At August 31, 2018 and August 31, 2017, the Company had cash of \$775 (2017 - \$28,063) and working capital deficit of \$182,127 (2017 - \$101.845). All cash is deposited in interest accruing accounts.

	2018 \$	2017 \$
Current assets	327,555	78,044
Property and Equipment	92,812	-
Total Assets	420,367	78,044

Total Liabilities	509,682	179,889
Shareholders' Deficiency	(89,315)	(101,845)
Working Capital Deficiency	(182,127)	(101,845)

The Company does not generate sufficient cash flow from operations to fund its exploration activities, its acquisitions and its administration costs. The Company is reliant on equity financing to provide the necessary cash to continue its operations.

	2018 \$	2017 \$
Cash used in operating activities	(479,689)	(1,341,132)
Cash used in investing activities	(94,452)	-
Cash provided by financing activities	570,755	1,366,085
Change in cash	(3,386)	24,953

During the period ended August 31, 2018 and 2017;

- The Company had cash of \$775 as at August 31, 2018 compared to \$28,063 as at August 31, 2017.
- The Company received gross proceeds of \$570,000 (2017 - \$1,160,000) as at August 31, 2018 and 2017.
- The Company has received \$13,000 from the exercise of share purchase warrants (2017 - \$65,260) and \$Nil (2017 - 5,000) from the exercise of stock options as at August 31, 2018 and 2017.

The ability of the Company to continue is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders, primarily by way of loans and from equity financing. The Company will need to raise or borrow money for its activities. Current sources of future funding are undetermined, and management will continue to review potential financings options as the need arises. There is no certainty that the Company will be able to receive continued financial support in the future. Existing working capital is expected to be sufficient to cover non-discretionary operating expenditures for the next twelve months.

### **Selected Annual Information**

The following financial data is derived from the Company's interim statements for the period ended August 2018, 2017 and 2016.

	2018 \$	2017 \$	2016 \$
<b>Financial Results</b>			
Net loss for the year	(803,246)	(708,279)	(297,687)
Basic and diluted loss per share	(0.02)	(0.03)	(0.02)
<b>Financial Position</b>			
Working Capital Deficiency	(182,127)	(101,845)	(634,149)
Total Assets	420,367	78,044	68,649
Deficit	(15,934,735)	(14,494,287)	(13,488,689)

### **Transactions with Related Parties**

Key management includes directors (executive and non-executive) and senior management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties and, in certain cases, are covered by signed agreements. These transactions were in the normal course of operations. The amounts due to related parties are non-interest bearing, unsecured, and have no fixed terms of repayment, unless otherwise disclosed.

As at August 31, 2018 and 2017, the Company has the following amounts due (from) to related parties that are non-interest bearing, unsecured, and have no specified terms of repayment.

	2018	2017
	\$	\$
Due to a director <sup>(a)</sup>	-	7,376
Due to a former director	29,314	-
Due from a company controlled by an officer for Management Services <sup>(a)</sup>	(31,852)	-
Due from a company under common control <sup>(b)</sup>	(40,200)	(40,200)
	<u>(42,738)</u>	<u>(32,824)</u>

<sup>(a)</sup> Chris Anderson and 0719639 BC Ltd., a company controlled by Chris Anderson

<sup>(b)</sup> Alliance Mining Corp., under common control

The Company had the following transactions with related parties:

- (i) Management fees totalling \$85,000 (2017 – \$85,000) were paid or accrued to a director and an officer of the Company during the period ended August 31, 2018.
- (ii) Remuneration attributed to key management personnel and directors included stock-based compensation of \$116,546 (2017 – \$71,130).
- (iii) During the period ended August 31, 2018, the Company received loans totaling \$7,500 (2017 – \$29,194) from a director of the Company. These loans are non-interest bearing, unsecured, and have no specified terms of repayment. At the close of the period \$Nil (2017 – 7,376) was owing.
- (iv) Rent and office reimbursements of \$36,000 (2017 – \$36,000) were received or accrued from companies under common control for use of a shared office space. As at August 31, 2018, \$40,200 (2017 - \$40,200) was receivable from these companies.

### **Commitments**

- a) On August 31, 2013, the Company entered into a three-year agreement with an officer and a director for management services for monthly fees of \$10,000 plus reimbursement of all traveling and direct expenses. The agreement was renewed for an additional term of three years in August 2016.
- b) The Company entered into an office space lease from August 21, 2012 to December 31, 2017 at \$5,802 per month. The term of the lease will be extended for another five years, commencing January 01, 2018 and expiring December 31, 2022 at \$6,252 per month.
- c) On February 14, 2018, the Company entered into a joint venture publication agreement with Creative Classic Publications Inc., (“Creative”) whereby Creative will write and publish a book to have the Company included in the

book. The Company will invest total of \$3,600 as its share for the joint venture. Profits from the sale of the book will be divided with three percent to the Company, three percent to each of the other 19 partners, and forty percent to Creative.

- d) On May 26, 2017, the Company entered into an advertising agreement with AGORA Internet Relations Corp. (“AGORA”) for internet advertisement service to be provided by AGORA from June 05, 2017 to June 05, 2018 with cost totalling \$40,000 plus GST. Payment of \$8,000 is due every three month commencing June 05, 2017.

### **Off Balance Sheet Agreements**

The Company has not entered into any material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to unconsolidated entities, derivative instrument obligations, or with respect to any obligations under a variable interest entity arrangement.

### **Critical Accounting Policies and Estimates**

The details of Great Atlantic’s accounting policies are presented in Note 2 of the financial statements ended February 28, 2018. These policies are considered by management to be essential to understanding the processes and reasoning that go into the preparation of the Company’s financial statements and the uncertainties that could have a bearing on its financial results.

### **Accounting Standards Issued But Not Yet Effective**

A number of new accounting standards, amendments to standards, and interpretations are issued but not yet effective up the date of issuance of the Company’s financial statements. The Company is assessing the impact of these new standards, but does not expect them to have a significant effect on the financial statements. Pronouncements that are not applicable or do not have a significant impact to the Company have been excluded herein.

### **Capital Risk Management**

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 resource properties. 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.

The Company manages its share capital as capital, which as at August 31, 2018 was \$15,497,076 (2017 - \$14,194,126). 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 is not subject to externally imposed capital requirements. There were no changes in the Company’s approach to capital management during the year ended February 28, 2018 or the period ended August 31, 2018.

### **Management Financial Risks**

The fair value of the Company’s amounts receivable, share subscription receivable, loan receivable, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying value, which is the amount recorded on the consolidated statement of financial position. The Company’s other financial instruments, cash and marketable securities under the fair value hierarchy is recorded at fair value based on level one quoted prices in active markets for identical assets or liabilities.

The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is not significant.

b) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2018, the Company has a negative cash balance against current liabilities of \$509,682. All of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company expects to fund those liabilities through the issuance of capital stock and loans from related parties over the coming year.

c) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

d) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Loans payable are non-interest bearing. Based on forecast interest rate movements and due to the short-term nature of these financial instruments, fluctuations in market rates are not expected to have a significant impact on estimated fair values.

e) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of oil and natural gas, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

### **Risk and Uncertainties**

The Company's operations and results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding exploration, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risk and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulation risk.

- (a) the state of the capital markets, which will affect the ability of the Company to finance further mineral property acquisitions and expand its contemplated exploration programs;
- (b) the prevailing market prices for base metals and precious metals;
- (c) the consolidation and potential abandonment of the Company's property as exploration results provide further information relating to the underlying value of the property;
- (d) the ability of the Company to identify and successfully acquire additional mineral properties in which the Company may acquire an interest whether by option, joint venture or otherwise, in addition to or as an alternative to the property;

## **Other risk factors**

### *Nature of Mineral Exploration and Mining*

There is no known economic recoverable mineral resource upon any of the Principal Properties. Development of any of the Principal Properties will follow only upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and of those properties which are explored, few are developed into producing mines. The Company provides no assurance that its mineral exploration and development activities will result in any discoveries of bodies of commercial 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 out of the Company's control.

### *Mineral Deposits and Productions Costs; Metal Prices*

Many factors affect the economics of developing mineral deposits, including variations in ore grade, cost of operations, and price fluctuations in of products sold. Metal prices influence heavily the value of the Principal Properties. Metal prices can and do change by substantial amounts over short periods of time, and are affected by numerous factors beyond the Company's control, including changes in supply and demand, international economic and political trends, inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new discoveries. The Company provides no assurance that the prices of mineral products will be sufficient to ensure that any of the Principal Properties can be mined profitably.

Depending on the price received for minerals produced, the Company may determine that it is impractical to commence or continue commercial production. The grade of any ore ultimately mined from a mineral deposit may differ from that predicted by drilling results.

### *Additional Financing*

The Company has limited financial resources and provides no assurance that it will obtain additional funding for further exploration and development of its projects or to fulfill its obligations under applicable agreements. The Company provides no assurance that it 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 delay or indefinite postponement of further exploration and development of the Company's Properties with the possible dilution or loss of such interests. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of exploration programs and general market conditions for natural resources. The Company provides no assurance that it can operate profitably or that it will successfully implement its plans for its further exploration and development of its Properties.

### *Permits and Licenses*

The Company will require licenses and permits from various governmental and non-governmental authorities for its operations. The Company has obtained, or plans to obtain all necessary licenses and permits required carrying on the activities it is currently conducting or which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to change in regulations and in various operating circumstances. The Company provides no assurance that it will obtain all necessary licenses and permits required to carry out exploration, development and mining operations.

### *Political Regulatory Risks*

Any changes in government policy may result in changes to laws affecting ownership of assets, mining policies, monetary policies, taxation, rates of exchange, environmental regulations, and labour relations, repatriation of income and return of capital. This may affect both the Company's ability to undertake exploration and development activities in respect of the Principal Properties in the manner currently contemplated, as well as its ability to continue to explore, develop and operate the Principal Properties. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of assets, cannot be ruled out.

### *Currency Risk*

Currency fluctuations may affect the cash flow which the Company may realize from its operations, since most mineral commodities are sold in a world market in United States dollars. The Company's costs are incurred primarily in Canadian dollars.

### *Dependence on Key Individuals*

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company. In addition, the Company will be highly dependent upon contractors and third parties in the performance of its exploration and development activities. The Company provides no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

### *Competitive Factors in the Precious and Base Metals Markets*

Most mineral resources including precious and base metals are essentially commodities markets in which we would expect to be a small producer with an insignificant impact upon world production. As a result, production, if any, would be readily sold and would likely have no impact on world market prices. In recent months due to the significant downturn in the world economies has driven the commodities prices much lower which has made raising capital more difficult more competitive than past years.

### **Subsequent Events**

On October 19, 2018, the Company closed a private placement for gross proceeds of \$386,400 by issuing 5,520,000 common shares at \$0.07 per unit. Each unit consists of one common share and one share purchase warrant. One share purchase warrant entitles the holder to purchase one additional common share of the Company at \$0.10 per share for a period of two years

On October 23, 2018, the Company announced a grant of 1 million stock options to directors, officers, employees and consultants of the Company. The options are exercisable for five years at an exercise price of \$0.07 per option

### **Forward-Looking Information**

This MD&A, which contains certain forward-looking statements, are intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the currency markets such as Canadian dollar, and U.S. dollar, fluctuations in the prices of commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, the United States, or other countries in which the Company carries or may carry on business in the future, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits, and quantities or grades of reserves. Many of these uncertainties and contingencies can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company.

Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements. Specific reference is made to the Company's most recent Annual Information

Form on file with Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

### **Internal Control over Financial Reporting**

The Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) of the Company, together with the Company’s management, are responsible for the information disclosed in this MD&A and in the Company’s other external disclosure documents. For the year ended February 28, 2018, the CEO and the CFO have designed, or caused to be designed under their supervision, the Company’s disclosure controls and procedures (“DCP”) to provide reasonable assurance that material information relating to the Company and its consolidated subsidiaries has been disclosed in accordance with regulatory requirements and good business practices and that the Company’s DCP will enable the Company to meet its ongoing disclosure requirements. The CEO and CFO have evaluated the effectiveness of the Company’s disclosure controls and procedures and have concluded that the design and operation of the Company’s DCP were effective as of March 31, 2011 and that the Company has the appropriate DCP to ensure that information used internally by management and disclosed externally is, in all material respects, complete and reliable.

The CEO and the CFO are also responsible for the design of the internal controls over financial reporting (“ICFR”) within the Company in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (“IFRS”).

During the design and evaluation of the Company’s ICFR, management identified certain nonmaterial deficiencies, a number of which have been addressed or are in the process of being addressed in order to enhance the Company’s processes and controls. The Company employs entity level and compensating controls to mitigate any deficiencies that may exist in its process controls. Management intends to continue to further enhance the Company’s ICFR.

The Company’s management, including its CEO and CFO, believe that any DCP and ICFR, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override to the future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected. There have been no changes in the Company’s ICFR during the year ended February 28, 2018 or in the period ended May 31, 2018, that have materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

### **Additional information relating to the Company is available:**

- (a) On SEDAR at [www.sedar.com](http://www.sedar.com)
- (b) On the Company’s website at [www.greatatlanticresources.com](http://www.greatatlanticresources.com)
- (c) In the Company’s annual audited financial statements for the year ended February 28, 2018

## Outstanding Shares

The Company had the following securities issued and outstanding:

	Number	Exercise Price	Expiry Date
		\$	
Common Shares	51,003,542	n/a	n/a
Stock Options	400,000	\$0.15	October 25, 2018
Stock Options	140,000	\$0.10	May 4, 2020
Stock Options	700,000	\$0.05	June 5, 2021
Stock Options	640,000	\$0.15	May 26, 2022
Stock Options	1,500,000	\$0.10	March 22, 2023
Warrants	110,000	\$1.00	December 30, 2018
Warrants	1,000,000	\$0.20	August 22, 2019
Warrants	895,000	\$0.10	June 5, 2020
Warrants	785,200	\$0.10	June 29, 2020
Warrants	1,130,000	\$0.10	July 6, 2020
Warrants	4,000,000	\$0.075	July 31, 2020
Warrants	7,400,000	\$0.075	August 14, 2020
Warrants	1,500,000	\$0.065	August 18, 2021
Warrants	500,000	\$0.15	December 22, 2021
Warrants	2,000,000	\$0.10	May 23, 2022
Warrants	4,350,000	\$0.125	June 9, 2022
Warrants	2,325,000	\$0.125	June 14, 2022
Warrants	3,325,000	\$0.125	June 26, 2022
Warrants	3,449,221	\$0.22	October 16, 2022
Broker's Warrant	53,200	\$0.10	June 5, 2020
Broker's Warrant	19,200	\$0.10	June 29, 2020
Broker's Warrant	80,000	\$0.10	July 6, 2020
Broker's Warrant	185,000	\$0.125	June 9, 2022
Broker's Warrant	132,500	\$0.125	June 14, 2022
Broker's Warrant	75,000	\$0.125	June 26, 2022
Broker's Warrant	334,921	\$0.22	October 16, 2022