The objective of this Management's Discussion and Analysis Report ("MD&A") released by Cartier Resources Inc. (the "Company" or "Cartier") is to allow the reader to assess our operation and exploration results and our financial position for the nine months ended September 30, 2018, compared to the nine months ended September 30, 2017. This report, dated November 21, 2018, should be read in conjunction with the interim condensed financial statements for the quarter ended September 30, 2018, and the audited financial statements and accompanying notes for the year ended December 31, 2017. The interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (”IFRS”). Unless otherwise indicated, all amounts are expressed in Canadian dollars.

Percentage calculations are based on numbers in the financial statements and may not correspond to rounded figures presented in this MD&A.

The Company discloses, on a regular basis, additional information on its operations, which is recorded in the System for Electronic Document Analysis and Retrieval (“SEDAR”) in Canada at www.sedar.com.

FORWARD-LOOKING STATEMENT

This document may contain forward-looking statements that reflect management's current expectations with regards to future events. Such forward-looking statements are subject to certain factors, and involve a number of risks and uncertainties. Actual results may differ from expected results. Factors that could cause our results, our operations or future events to change materially compared to expectations expressed or implied by the forward-looking statements include, but are not limited to, volatility in the price of gold, risks inherent to the mining industry, uncertainty regarding mineral resource estimations, and additional funding requirements or the Company's ability to obtain such funding.

NATURE OF ACTIVITIES AND CONTINUATION OF EXPLORATION ACTIVITIES

The Company, initially incorporated under Part 1A of the *Québec Companies Act* on July 17, 2006, has been governed by the *Business Corporations Act* (Québec) since February 14, 2011. The Company's head office is located at 1740, chemin Sullivan, Suite 1000, Val-d'Or, Québec. Its activities primarily include the acquisition and exploration of mining properties. The Company has not yet determined whether its properties contain economically recoverable ore reserves. The recoverability of the amounts shown for the mining properties is dependent upon the existence of economic ore reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

The Company's ability to continue as a going concern depends on its ability to realize its assets and additional financing. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The application of IFRS on a going-concern basis may be inappropriate since there is doubt as to the appropriateness of the going-concern assumption.

The shares of the Company are listed on the TSX Venture Exchange and are traded under the symbol ECR.

MISSION

The Company's mission is to ensure growth and sustainability for the benefit of its shareholders and employees.

VISION AND STRATEGY

The Company's vision is to advance its current and future assets to the production stage according to a schedule consistent with its human and financial resources while respecting sustainable development practices.

The Company's strategy is to pursue a dynamic process that allows it to develop and maintain a balanced portfolio of mining projects, progressing from the exploration stage to the resource definition, development and production stages.

EXPLORATION ACTIVITIES

EXPLORATION WORK

Chimo Mine Property

Phase 1 of the drilling program, ongoing since July 10, 2017, was completed in late August 2018 for a total of 31,815 m in 66 holes. The results announced in the third quarter of 2018 are presented in the table below. Many laboratory results are pending.

Phase II started immediately after the completion of Phase I, resulting in no interruption to the drilling program. The objective of this second phase, consisting of 40 holes for 15,000 m, is to continue testing 7 of the 23 most promising gold zones on the property (**FIGURE 1**). The priority focus will be Zone 6N1, situated 80 m from the underground infrastructure and the Zone 5 area, for its potential to add resources (see table and figure below), followed by Zones 5M4 and 6P2, and then Zones 2B and 3E. Finally, Zones 4B2 and 5M3 will be explored for their potential to generate new discoveries.

<table>
<tr><th>Hole</th><th>From (m)</th><th>To (m)</th><th>Length (m)</th><th>Au (g/t)</th><th>Zone 5 Area</th></tr>
<tr><td>CH17-46BE</td><td>1250.0</td><td>1254.5</td><td>4.5</td><td>5.8</td><td rowspan="5">5M2, 5M, 5B and 5BS</td></tr>
<tr><td>including</td><td>1251.3</td><td>1251.9</td><td>0.6</td><td>30.8</td></tr>
<tr><td>included in</td><td>1250.0</td><td>1267.3</td><td>17.3</td><td>2.8</td></tr>
<tr><td>CH17-47AE</td><td>1485.0</td><td>1487.0</td><td>2.0</td><td>5.3</td></tr>
<tr><td>included in</td><td>1483.0</td><td>1487.0</td><td>4.0</td><td>3.0</td></tr>
</table>

(SEE FIGURE)

Lengths are expressed as downhole core lengths. True widths have not yet been determined.

Hole	From (m)	To (m)	Length (m)	Au (g/t)	Gold Zone
CH18-21A	424.1	428.8	**4.7**	**5.5**	**6N1**
including	424.1	438.0	13.9	2.4	
CH18-20	408.0	411.0	**3.0**	**5.6**	
including	408.0	421.9	13.9	2.0	
CH18-22B	512.0	523.0	11.0	1.1	

(SEE FIGURE)

Lengths are expressed as downhole core lengths. True widths have not yet been determined.

Hole	From (m)	To (m)	Length (m)	Au (g/t)	Zone 5 Area
CH17-47AW	1470.5	1475.5	**5.0**	**4.7**	**5M2, 5M, 5B** and **5BS**
including	1470.5	1472.5	2.0	7.2	
included in	1466.7	1483.3	16.6	1.8	
CH17-46B	1201.3	1205.3	**4.0**	**3.6**	
including	1201.3	1202.3	1.0	8.9	
included in	1187.9	1205.3	17.4	1.3	
included in	1187.9	1233.4	45.5	0.7	

(SEE FIGURE)

Lengths are expressed as downhole core lengths. True widths have not yet been determined.

Many of the laboratory results for the Zone 5 area (**FIGURE 2**) are still pending.

QUALITY ASSURANCE / QUALITY CONTROL

Information of a scientific and/or technical nature presented in this management's MD&A was reviewed and approved by Cartier's Vice President, Gaétan Lavallière, P.GeoPhD. Mr. Lavallière is a Qualified Person as defined by National Instrument 43-101.

Exploration assets and deferred exploration costs

	MacCormack	Chimo Mine	Wilson	Cadillac Extension	Benoist	Fenton	Total
Percent interest	100%	100%	100%	100%	100%	50%	
	$	$	$	$	$	$	$
Mining properties							
Balance as at December 31, 2017	206,871	107,024	72,000	3,715	737,723	24,371	1,151,704
Addition	-	-	-	-	-	273	273
Balance as at September 30, 2018	**206,871**	**107,024**	**72,000**	**3,715**	**737,723**	**24,644**	**1,151,977**
Deferred exploration costs							
Balance as at December 31, 2017	2,850,995	2,360,666	1,081,812	2,352,961	2,380,687	1,336,741	12,363,862
Additions							
Geology	-	223,366	1,367	3,327	6	14,055	242,121
Drilling	-	4,914,841	993	-	-	174,582	5,090,416
Geochemistry	-	246,077	-	-	-	-	246,077
Surveying and access roads	-	5,183	-	-	-	-	5,183
Core shack rental and maintenance	-	10,777	999	-	68	319	12,163
Duties, taxes and permits	3,431	709	444	1,432	1,572	188	7,776
Depreciation of exploration leasehold improvements	-	1,771	84	-	-	-	1,855
Share-based payments - employees	-	40,391	3,809	-	-	-	44,200
Total expenses during the period	3,431	5,443,115	7,696	4,759	1,646	189,144	5,649,791
Tax credits	-	(350,205)	-	-	-	(4,995)	(355,200)
Net expenses during the period	3,431	5,092,910	7,696	4,759	1,646	184,149	5,294,591
Balance as at September 30, 2018	**2,854,426**	**7,453,576**	**1,089,508**	**2,357,720**	**2,382,333**	**1,520,890**	**17,658,453**
Balance of exploration assets and deferred exploration costs as at September 30, 2018	**3,061,297**	**7,560,600**	**1,161,508**	**2,361,435**	**3,120,056**	**1,545,534**	**18,810,430**

All of the Company's mining properties are located in northwestern Quebec.

Certain properties are subject to royalties.

Exploration assets and deferred exploration costs

	MacCormack	Chimo Mine	Wilson	Cadillac Extension	Benoist [1]	Fenton	Total
Percent interest	100%	100%	100%	100%	100%	Option 50%	
	$	$	$	$	$	$	$
Mining properties							
Balance as at December 31, 2016	252,756	107,024	72,000	3,715	622,723	14,371	1,072,589
Additions	-	-	-	-	115,000	10,000	125,000
Write-offs	(45,885)	-	-	-	-	-	(45,885)
Balance as at September 30, 2017	**206,871**	**107,024**	**72,000**	**3,715**	**737,723**	**24,371**	**1,151,704**
Deferred exploration costs							
Balance as at December 31, 2016	3,297,601	517,046	177,769	2,195,497	2,349,809	462,451	9,000,173
Additions							
Geology	296	148,710	103,024	11,117	20,651	72,929	356,727
Drilling	-	413,542	739,639	154,344	98	9,455	1,317,078
Exploration office expenses	-	3,458	862	575	67	575	5,537
Surveying and access roads	-	81,208	24,266	2,433	10,126	-	118,033
Core shack rental and maintenance	-	7,755	2,347	775	352	1,372	12,601
Duties, taxes and permits	769	2,447	2,315	-	808	296	6,635
Depreciation of exploration leasehold improvements	-	2,764	814	-	-	694	4,272
Share-based payments - employees	-	19,475	5,798	-	-	4,460	29,733
Total expenses during the period	1,065	679,359	879,065	169,244	32,102	89,781	1,850,616
Write-offs	(448,510)	-	-	-	-	-	(448,510)
	(447,445)	679,359	879,065	169,244	32,102	89,781	1,402,106
Tax credits	-	(5,803)	(7,972)	(14,975)	(3,803)	(978)	(33,531)
Additions during the period	(447,445)	673,556	871,093	154,269	28,299	88,803	1,368,575
Balance as at September 30, 2017	**2,850,156**	**1,190,602**	**1,048,862**	**2,349,766**	**2,378,108**	**551,254**	**10,368,748**
Balance of exploration assets and deferred exploration costs as at September 30, 2017	**3,057,027**	**1,297,626**	**1,120,862**	**2,353,481**	**3,115,831**	**575,625**	**11,520,452**

All the Company's mining properties are located in northwestern Quebec.

[1] The Company repurchased a 1.1% royalty on the Benoist property for $75,000 in cash and $40,000 in shares. There remains 0.1% to buy back.

SELECTED FINANCIAL INFORMATION

	Three months ended September 30, 2018 ($)	Three months ended September 30, 2017 ($)	**Nine months ended September 30, 2018 ($)**	Nine months ended September 30, 2017 ($)
Interest income	**40,424**	31,411	**121,511**	63,201
Net loss	**(300,964)**	(460,775)	**(95,608)**	(1,636,276)
Basic net loss per share	**(0.00)**	(0.00)	**(0.00)**	(0.01)
Basic and diluted weighted average number of shares outstanding	**177,104,747**	157,831,899	**177,020,498**	137,983,262

	Statement of financial position as at	
	September 30, 2018 ($)	December 31, 2017 ($)
Cash and cash equivalents	**9,598,203**	15,706,671
Exploration assets and deferred exploration costs	**18,810,430**	13,515,566
Total assets	**29,208,930**	29,564,909
Current liabilities	**679,854**	2,138,341
Deferred income and mining taxes	**2,537,064**	1,741,953
Equity	**25,992,012**	25,684,615

EXPLORATION COSTS

For the three-month period ended September 30, 2018, the exploration expenses were $5,649,791, including $5,443,116 on the Chimo Mine Property and $189,144 on the Fenton Property. For the same period of 2017, exploration expenses were $1,402,106 consisting mainly of $879,065 on the Wilson Property, $679,359 on the Chimo Mine Property and $169,244 on the Cadillac Extension Property.

The significant increase of $4,247,685 in 2018 is due to the fact that three drills were operating on the Chimo Mine Property and two of them were for controlled directional drilling, which is more expensive. The latter method has greater precision when drilling deep targets and yields substantial savings compared to conventional drilling in deep settings.

RESULTS OF OPERATIONS

For the three and nine months ended September 30, 2018, the net loss or profit amounted to ($300,964) or ($0.00) per share and ($95,608) or ($0.00) per share, respectively, compared to a net loss of ($460,775) or ($0.00) per share and ($1,636,276) or ($0.01) per share for the same periods in 2017. The decrease in the net loss for the nine months ended September 30, 2018 is mainly due to a net deferred tax recovery of $ 1,001,840, of which $ 1,700,938 is due to the reversal of the flow-through share liability.

Interest income was $40,424 and $121,511 for the three and nine months ended September 30, 2018, respectively, compared to $34,411 and $63,201 for the same periods in 2017.

General and administration (”G&A”) expenses amounted to $344,828 and $1,217,516 for the three and nine months ended September 30, 2018, respectively, compared to $388,939 and $1,118,415 for the same periods in 2017. The increase in G&A expenses was mainly due to increases in the categories of salaries, consultants, business development, advertising, and training and travel.

FINANCIAL INFORMATION SUMMARY

Quarter ended	Interest income and other	Net gain (loss)	Basic and diluted net loss per share	Deferred exploration costs	Basic and diluted weighted average number of shares outstanding
	($)	($)	($)	($)	
18-09-30	40,424	(300,964)	(0.00)	1,316,184	177,104,747
18-06-30	40,861	(54,781)	(0.00)	1,763,840	177,049,802
18-03-31	40,226	260,135	0.00	2,569,767	176,904,747
17-12-31	35,940	(230,568)	(0.00)	1,995,114	163,970,181
17-09-30	31,411	(460,775)	(0.00)	652,421	157,831,899
17-06-30	20,884	(861,751)	(0.01)	274,014	139,540,388
17-03-31	10,906	(313,750)	(0.00)	442,140	116,119,112
16-12-31	28,393	(333,729)	(0.01)	540,974	92,342,216

STATEMENT OF FINANCIAL POSITION

Current

The following table provides information on the Company's cash and cash equivalents as at September 30, 2018 and December 31, 2017:

	September 30, 2018		December 31, 2017	
	Amount ($)	**Interest rate**	Amount ($)	Interest rate
Account bearing interest	**8,984,100**	**1.10%-1.60%**	15,580,188	0.75%-1.20%
Account without interest	**614,103**	**-**	126,483	-
Total	**9,598,203**		15,706,671	

No amount under cash and cash equivalents was included in the funds to be reserved for exploration before December 31, 2018 ($4,327,388 as at December 31, 2017).

Working capital was $9,709,861 as at September 30, 2018 compared to $13,904,058 as at December 31, 2017.

Exploration assets and deferred exploration costs

As at September 30, 2018, the Company's exploration assets and deferred exploration costs amounted to $18,810,430 compared to $13,515,566 as at December 31, 2017.

As at September 30, 2018, deferred exploration costs amounted to $17,658,453 compared to $12,363,862 as at December 31, 2017.

During the period ended September 30, 2018, additions under deferred exploration costs before tax credits amounted to $5,649,791. The main exploration costs consisted of the following: drilling for $5,090,416; geology for $242,121; geochemistry for $246,077.

Liabilities

As at September 30, 2018, current liabilities amounted to $679,854 compared to $2,138,341 as at December 31, 2017. The variation is due mainly to the increase in liability related to flow-through shares for a variation of $1,700,938.

Deferred income and mining taxes amounted to $2,537,064 as at September 30, 2018, compared to $1,741,953 as at December 31, 2017. The variation of $795,111 is explained by the renouncement of tax deductions and by exploration costs incurred in 2018 by the flow-through shares issued in 2017.

Equity

As at September 30, 2018, equity was $25,992,012 compared to $25,684,615 as at December 31, 2017. This variation comes mainly from the comprehensive loss for the period of $95,608 and the share-based payments of $383,918.

CASH FLOWS

Cash flows used in operating activities amounted to $20,950 and $778,647 for the three and nine months ended September 30, 2018, respectively, compared to $86,564 and $697,805 for the same periods in 2017. The cash flows resulted mainly from the following: net losses of ($300,964) and ($95,608) compared to net losses of ($460,775) and ($1,636,276) for the same periods in 2017; share-based payments–employees of $113,335 and $333,437 compared to $162,391 and $386,589 for the same periods in 2017; and the write-off of deferred exploration costs of $494,395 for the nine months ended September 30, 2017.

For the nine months ended September 30, 2018, cash flow from financing activities, in the amount of $26,077 resulted mainly from the exercise of warrants. For the three and nine months ended September 30, 2017, cash flow from financing activities amounted to $454,887 and $9,923,140, respectively, resulting mainly from the exercise of warrants in the amounts of $448,650 and $1,204,900, respectively, and the exercise of options in the amount of $6,650. Furthermore, there was a private placement for the nine months ended September 30, 2017 totalling $9,485,100 less share issue expenses of $773,510.

For the three and nine months ended September 30, 2018, cash flows used in investing activities amounted to $1,159,850 and $5,355,898, respectively, consisting mainly of deferred exploration costs, compared to $645,794 and $1,814,150 for the same periods in 2017, also consisting mainly of deferred exploration costs.

LIQUIDITY AND FINANCING SOURCES

Significant increases or decreases in the Company's cash and capital resources are primarily determined by the success or failure of exploration programs and the ability to issue shares or obtain other sources of financing.

As at September 30, 2018, the Company's cash and cash equivalents amounted to $9,598,203. The Company's financing comes mostly from share issues. The success of these issues depends on the stock markets, investors' interest in exploration companies and the price of metals. In order to continue its exploration activities and support its current activities, the Company must maintain its exposure within the financial community to realize new financings.

During the period ended September 30, 2018, a total of 200,000 shares were issued following warrant exercises. During the period ended September 30, 2017, a total of 46,233,618 shares were issued as follows: a private placement of 22,250,000 shares, a flow-through private placement of 12,880,000 shares, an issuance of 50,000 shares in respect of the Company's contract with SOQUEM Inc., an issuance of 2,307,690 shares for the redemption of the debenture, an issuance of

135,594 shares for a redemption of an NSR royalty, the issuance of 35,000 shares following option exercises and the issuance of 8,575,334 shares following warrant exercises.

There is no cash reserved for exploration as at September 30, 2018 compared to $4,327,388 as at December 31, 2017. The variation comes from deferred exploration costs.

The Company expects that its current capital resources of $9,598,203 and its ability to obtain additional financing will support further exploration and development of its mineral properties for the next financial exercise.

The following table presents the sources of funding during the last 8 quarters and up to the date of this report:

Sources of financing				
Date	Type	Financing	Amount ($)	Primary uses for the net proceeds of the financing
September 2, 2016	Private placement without broker	Common shares	100,050	Exploration activities, G&A expenses and other working capital requirements
December 22, 2016	Private placement without broker	Common shares	4,500,000	Exploration activities, financing G&A expenses and other working capital requirements
Beetween January 1 and December 31, 2017	Exercise of warrants	Common shares	1,204,900	Exploration activities, financing G&A expenses and other working capital requirements
Beetween January 1 and December 31, 2017	Exercise of options	Common shares	6,650	Financing G&A expenses
February 28, 2017	Debenture conversion	Common shares	300,000	Repayment of debt
March 17, 2017	Assets paid by share issuance	Common shares	10,000	Earning a 50% interest in the Fenton Property

March 20, 2017	Private placement with broker	Common shares	3,477,600	Drilling programs on the Chimo Mine and Fenton properties
May 30, 2017	Private placement with broker	Common shares	6,007,500	Exploration activities, financing G&A expenses and other working capital requirements
May 31, 2017	Assets paid by share issuance	Common shares	40,000	Repurchasing a royalty on the Benoist Property
December 5, 2017	Private placement with broker	Common shares	5,299,900	Exploration activities, drilling program on the Chimo Mine Property, financing G&A expenses and other working capital requirements
April 25, 2018	Exercise of warrants	Common shares	200,000	G&A expenses

LEASES

The Company rents its offices under a lease expiring in March 2021. The lease for a company vehicle expires in October 2020.

Future minimum lease payments are as follows:

	Minimum lease payments due :		
	Within 1 year	**1 to 5 years**	**Total**
	$	$	$
September 30, 2018	**39,496**	57,788	97,284
December 31, 2017	**39,496**	87,410	126,906

RELATED PARTY TRANSACTIONS

During the three and nine-months ended September 30, 2018, the Company paid $2,635 to the spouse of a director for consulting fees. As at September 30, 2018, this amount was recorded under business development in the interim condensed statements of profit or loss and no amount is payable.

ACCOUNTING ESTIMATES AND CRITICAL JUDGMENTS

The following paragraphs describe the most critical management estimates and assumptions in the recognition and measurement of assets, liabilities and expenses, and the most critical management judgments in applying accounting policies.

Impairment of assets
An impairment loss is recognized when the carrying amount of an asset is not recoverable and exceeds its recoverable value. Management reviews on a regular basis the impairment assessment of its mining assets. Each year, the Company conducts an annual review of the geological potential of all its claims with the objective of abandoning any claims with a low discovery potential. All amounts incurred on those claims are recorded in the statements of loss for the year.

Share-based payments and fair value of warrants
The estimate of share-based payment costs and of the fair value of warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the expected life of options and expected extinguishments. The model used by the Company is the Black-Scholes model.

Income taxes and deferred mining taxes
The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.

FINANCIAL INSTRUMENTS

Objectives and policies in managing financial risks

The Company is exposed to various financial risks resulting from its operations and investing activities. The directors and officers of the Company manage those risks.

The Company does not enter into speculative derivative financial instruments.

Financial risks

The following paragraphs describe the main financial risks to which the Company is exposed and its risk management policies.

Interest risk

As at September 30, 2018, the Company is not exposed to interest rate risk since they are all short-term items.

Liquidity risks

The Company establishes cash forecasts to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations, and while it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

Liquidity risk analysis

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

Over the year, the Company has financed its exploration expense commitments, its working capital requirements and acquisitions through private and flow-through financings.

All financial liabilities mature in less than 12 months.

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying value of its financial assets at the date of presentation of the financial information as disclosed below:

	September 30, 2018	December 31, 2017
	$	$
Cash and cash equivalents	**9,598,203**	15,706,671
Carrying amounts	**9,598,203**	15,706,671

None of the Company's financial assets are secured by collateral or other credit enhancements.

The credit risk for cash and cash equivalents and for cash reserved for exploration is considered negligible since the counterparties are reputable financial institutions with high quality external credit ratings.

Fair value of financial instruments

The Company discloses the fair value hierarchy by which the financial instruments are evaluated and assigned to levels. Level 1 features a valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 includes inputs for the asset or liability that are not based on observable market data. Marketable securities are classified under Level 1.

The carrying values for cash and cash equivalents, cash reserved for exploration, accounts payables and accrued liabilities approximate fair values at the closing date.

RISKS AND UNCERTAINTIES

The Company, like all other mining exploration companies, is exposed to a variety of financial and environmental risks, as well as risks related to the very nature of its activities. It is also subject to risks related to other factors, such as the price of metals and market conditions in general. The main risks to which the Company is exposed are as follows:

(a) Financing risk

The Company must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

The Company believes that the quality of its properties and their geological potential will enable it to obtain the required financing for their continued exploration and potential development.

(b) Volatility of stock price and limited liquidity

Cartier's common shares are listed on the TSX Venture Exchange under the symbol ECR.

The Company's common shares have experienced significant volatility in price and trading volume over the last few years. There can be no assurance of adequate liquidity in the future for the Company's common shares.

(c) Permits and licences

The Company's operations may require permits and licences from different government authorities. There is no assurance the Company will obtain the required permits and licences to continue exploring and developing its properties.

(d) Environmental risks

The Company's operations are subject to federal, provincial and local environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards, land use standards, land reclamation and labour standards.

Environmental legislation is evolving in a way that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and increased responsibility for companies and their officers, directors and employees. At this time, it is uncertain whether these changes will adversely affect the Company's operations. Compliance costs are expected to rise.

Environmental hazards may exist on certain of the Company's properties that are unknown to management at the present time, and which were caused by previous owners or operators.

(e) Metal prices

Even if the exploration programs of the Company are successful, some factors beyond the Company's control may affect the marketing of the minerals found. Metal prices are determined by worldwide supply and demand for metals, which are affected by many factors, including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption levels, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

(f) Key personnel

The management of the Company relies on certain key personnel, primarily its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and success of the Company's operations. The Company's success is also linked to its capacity to attract and retain qualified personnel.

OFF-BALANCE SHEET ARRANGEMENTS

As at September 30, 2018, the Company had no off-balance sheet arrangements.

CAPITAL STRUCTURE ON NOVEMBER 21, 2018:

Common shares outstanding	177,104,747
Stock options (weighted average exercise price of $0.17)	12,800,000
Warrants (weighted average exercise price of $0.27)	3,318,400
Total fully diluted	193,223,147

OUTLOOK

The focus for the fourth quarter of 2018 will be the Phase II drilling program on the Chimo Mine Property.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The financial statements and other financial information contained in this MD&A are the responsibility of the Company's management and have been approved by the Board of Directors on November 21, 2018.

(s) Philippe Cloutier	(s) Nancy Lacoursière
Philippe Cloutier	Nancy Lacoursière
President and CEO	Chief Financial Officer