

MURCHISON MINERALS LTD. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

This Management's Discussion and Analysis ("MD&A") is intended to supplement the condensed interim consolidated financial statements and notes of Murchison Minerals Ltd. (the "Company" or "Murchison") for the three and nine months ended September 30, 2019. The unaudited condensed interim consolidated financial statements including comparative figures have been prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") applicable to preparation of interim financial statements. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and accompanying notes for the year ended December 31, 2018, which have been prepared in accordance with IFRS and available on the Company's web-site (www.murchisonminerals.com). This MD&A covers the most recently completed financial quarter and the subsequent period up to November 21, 2019. The information is presented in Canadian dollars unless stated otherwise.

OVERALL PERFORMANCE

Description of Business

Murchison is a Canadian based exploration company with a focus on its Brabant Lake property which includes the high-grade Brabant-McKenzie VMS zinc-copper-silver deposit (the "Deposit") in north-central Saskatchewan. The Company also owns 100% of the HPM nickel-copper-cobalt project in Quebec. The Company expects to acquire additional properties as attractive opportunities are identified. The Company does not have any projects that generate revenue at this time. The Company's ability to carry out its business plan in the future rests entirely on its ability to secure equity and other financings or realize cash from the sale of assets.

Trends

The financing, exploration and development of any properties the Company holds or may acquire in the future will be subject to a number of factors including the commodity prices for minerals, applicable laws and regulations, political conditions, currency fluctuations, the hiring of qualified people and obtaining necessary services in jurisdictions where the Company operates. The current trends relating to these factors could change at any time and negatively affect the Company's operations and business. Apart from these, the risk factors noted under the heading "Uncertainties and Risk Factors" and "Forward Looking Statement" included in MD&A for the year ended December 31, 2018, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

OUTLOOK

The Company completed a systematic follow up field prospecting program at its Brabant Lake project (the "Property") during this past summer. Highly prospective exploration targets have been identified during the prospecting program of which the Company has selected 12 priority targets to be drilled this winter 2020.

On November 15, 2019, the Company announced its intention to raise up to \$1,450,000 in a non-brokered private-placement of units, including a \$1.2 million flow-through component. The proceeds of this flow-through private placement will be used towards the drilling of the 12 priority targets at the Property.

The Company is focused on identifying additional deposits on the Property and surrounding region. The results from the summer prospecting program has proven that, that in addition to the Deposit, the Property exhibits what appears to be the potential for a VMS district or camp based on the number of known mineralized showings and geophysical anomalies identified along its 38 kilometre strike length.

In addition to the drill program planned for 2020, a winter soil drill sampling program of the bog mud is also planned to explore geophysical anomalies that coincide with swamps in order to test for the presence of zinc-related mineralization.

There are no known legal, political, environmental or other risks that could materially affect the potential development of the mineral resources.

Management's objective is to maximize the money spent "in the ground". The long-term goal remains to develop the Company's properties and achieve commercial production. The Company may enter into partnerships in order to fully exploit the production potential of its exploration assets.

MINERAL PROPERTIES – EXPLORATION ACTIVITIES

Brabant Property – Saskatchewan

The Brabant property is owned 100% by Murchison, has no royalties and is strategically located along Highway 102 approximately 171 kilometres northeast of the town of La Ronge and near major infrastructure, including grid power. The Brabant property consists of the Brabant-McKenzie VMS Deposit and numerous additional zinc and copper occurrences and geophysical anomalies over approximately 38 kilometre strike length of favourable geological horizon, all of which remain under-explored and mostly untested. The Property area shares geological characteristics, including similar age, with the Flin Flon and Lynn Lake volcanogenic massive sulphide (VMS) mining camps in Manitoba.

SUMMER 2019 FIELD PROGRAM

The Company started a field prospecting program at the end of May 2019. The goal of this program was to locate any surface expression of sulphide mineralization spatially linked to the electromagnetic ("EM") conductors and magnetic ("Mag") high responses identified during the 2019 winter VTEM Airborne Survey. The whole district is covered by a moderate to shallow soil cover, but there are relatively few outcrops creating a challenge to prospecting.

During the third quarter, Murchison reported on the results of the summer program where it had two prospecting teams utilizing GDD Instrumentation Inc.'s "Beep Mat" technology in order to detect mineralization either in bedrock or boulders.

The Company discovered the Main Lake West zone which consists of a massive sulphide-type copper mineralization spatially related to seven electromagnetic (EM) conductors located approximately 700 metres west of the historic Main Lake showing. Multiple zones of sulfide mineralization were identified at the Main Lake West zone. These zones were exposed and sampled using a channel saw and a small backpack drill. The mineralization consists of semi-massive to massive pyrrhotite and disseminated chalcopyrite with assay values up to 0.42% Cu over 1.7 metres and 0.69% Cu over 0.7 metres in backpack drill core, and sampling of nine trenches with assay values up to 0.58% Cu. The mineralization correlates well with the geophysical modelling that indicates several bodies. At this time the full extent of the mineralization remains to be defined.

The prospecting team also collected a 0.89 metre backpack drill core sample from the rock face of the Main Lake showing which assayed 6.17% Cu, 8.31% Zn, 140 g/t Ag and 0.2 g/t Au. The historic Main Lake showing received limited near surface drilling in 1964, reporting an intercept of 0.7 metre at 5% Zn. This showing correlates well with a 530 metre long modelled conductive unit from the 2019 VTEM airborne survey. Limited historic exploration paired with the high-grade nature of the showing makes this area a high-priority exploration target for Murchison, as it has strong potential for hosting economic VMS type mineralization.

The Main Lake showing and the Main Lake West zone are located ten kilometres southwest of Murchison's Brabant-Mackenzie VMS Deposit and within the 324 km² of the 100% Murchison owned contiguous claims.

The Company also discovered a massive sulphide-type zinc mineralization on strike with the Deposit, named Brabant-McKenzie South, approximately 300 metres from the nearest blocks in the Inferred Resource category.

Table 1 – Brabant-McKenzie South drill core sample geochemistry results

Drill hole ID	From (m)	To (m)	Length (m)	Ag (g/t)	Cu (%)	Zn (%)	Au (ppb)
DDHBM19-002	0.00	0.53	0.53	5.1	0.02	0.32	15
	0.53	1.18	0.65	9.2	0.08	6.10	27
	1.18	1.85	0.67	25.3	0.20	6.34	32
	1.85	2.50	0.65	7.9	0.03	2.86	1770
	2.50	2.85	0.35	10.6	0.03	1.15	2370
	2.85	3.35	0.50	5.2	0.07	4.28	6
	3.35	3.75	0.40	1.2	0.03	0.78	8
Total / average			3.75	10.0	0.07	3.49	542

The Company also confirmed anomalous zinc, silver and gold mineralization at the historic MIN showing during the summer prospecting program. The MIN showing is located south of the large Min Showing North conductive body measuring 1,080 by 888 metres, and approximately four and a half kilometres southwest of, and on strike with, the Brabant-McKenzie VMS deposit and the recently discovered Brabant-McKenzie South mineralization. Multiple channels were cut perpendicular to strike on the exposed mineralization using a diamond saw on the shore of Brabant Lake, with notable assays of 0.32% Zn and 5.3 g/t Ag over 1.2 metres, and 0.39% Zn and 7.8 g/t Ag over 0.35 metre. Anomalous gold-silver values were also noted in a sample with 0.449 g/t Au, 11.4 g/t Ag and 0.15% Zn over 0.50 metre. The mineralization is relatively low grade; however its proximity to nearby conductive bodies is encouraging.

Table 2 – MIN Showing 2019 Channel Sample Results

Channel ID	From (m)	To (m)	Zn (%)	Ag (g/t)	Au (g/t)
MIN001	0.00	0.50	0.15	11.4	0.449
MIN002	0.00	1.20	0.32	5.3	0.026
MIN002	1.20	1.45	0.30	6.6	0.023
MIN006	0.00	0.35	0.39	7.8	0.029
MIN006	0.35	0.95	0.12	13.2	0.028

The MIN Showing was first located in 1959 during regional geologic mapping and was followed up by prospecting in 1983 and 1991 with the most notable assay returned from a grab sample completed in 1983 of 0.17% Zn and 14.4 g/t Ag. This zinc-silver mineralization further indicates the strong VMS potential of the Brabant-McKenzie host geologic unit elsewhere in the project area. Recent geophysical modelling of Murchison's surface TDEM (Time Domain Electromagnetic), ground magnetic data, VTEM (Versatile Time Domain Electromagnetic) airborne data shows the presence of a conductor with moderate conductivity and coincident high magnetic susceptibility that is located under and immediately to the west of the channel samples, suggesting that semi-massive to massive mineralization may be present.

A second conductive unit called Min Showing North which southern boundary lies approximately 350 metres to the north of the Min Showing has been modelled as a large low to moderate conductivity plate measuring 1,080 by 888 metres. Historical drill hole BL-12-04 which is located a short distance east of the plate intersected anomalous silver grading 1.5 g/t Ag over 0.5 metre. Min Showing North represents an encouraging high priority exploration target along the interpreted Brabant-McKenzie VMS trend.

The summer prospecting program has identified twelve (12) priority drill targets as a result of its exploration and prospecting activities completed over the past twelve months at Brabant Lake. In addition, the second half of the 324-km² of Murchison's land package held has yet to be systematically explored.

A total of 30 distinct EM/Mag conductors were originally identified by the VTEM airborne survey completed in January 2019. Twelve targets, all of which have similarities to the Brabant-McKenzie VMS deposit, were identified as priority drill targets. Six (6) of those are found along a 12 km-long trend interpreted as being within the Brabant-McKenzie VMS trend. The selection of these priority targets is based on ground and airborne geophysical and geological data and ground prospecting results. A thirteen (13)-hole, 3,600-metre drill program is proposed to test these targets.

For additional details, refer to Murchison's website: www.murchisonminerals.com.

For the three months ended September 30, 2019, the Company incurred \$278,709 (Q3/18 - \$95,031) in exploration expenses at the Brabant Lake property. For the nine months ended September 30, 2019, the Company incurred \$683,428 (2018 - \$2,180,269) in exploration expenses at the Property.

Qualified Persons

The scientific and technical disclosures included in this MD&A have been reviewed and confirmed by Ehsan Salmabadi, P. Geo., and Martin St-Pierre, P. Geoph., qualified persons as defined by National Instrument 43-101. Mr. Salmabadi and Mr. St-Pierre are independent consultants to Murchison and the Brabant-McKenzie project.

Access to Properties

The Company's access to its Canadian properties is dependent on climate and weather conditions. The Brabant property in Saskatchewan is accessible all year round. Projects in Québec can be accessed from January to September as weather limits the activities during other times of the year.

RESULTS OF OPERATIONS

For the nine months ended September 30, 2019, the Company incurred a loss of \$1,082,905 (2018 - \$2,073,913). The decrease of \$991,008 is mainly related to the following factors: **1.** lower exploration expenses of \$1,351,366 (2019 - \$809,623 vs 2018 - \$2,160,989) as the Company completed a 12,431 metre drill program in 2018 and geophysical surveys and field exploration in 2019 at the Brabant Lake project. Also in 2019, the Company increased its interest in the HPM property to 100% at a cost of \$116,857; **2.** lower share-based payments of \$184,205 (2019 - \$61,180 vs 2018 - \$245,385) as the lower number of options granted in 2019 translated into a lower estimated value for the options granted compared to those granted in 2018; **3.** lower management fees and salaries of \$91,486 (2019 - \$143,733 vs 2018 - \$235,219) related to \$50,000 paid in bonuses in Q1/18 as well as lower fees paid to the CEO in 2019 compared to the former CEO in 2018; **4.** lower professional fees of \$80,674 (2019 - \$27,859 vs 2018 - \$108,533) directly related to the court case involving a former director in 2018; offset by, **5.** lower non-cash flow-through shares premium of \$701,802 (2019 - \$144,108 vs 2018 - \$845,910) as the Company recognized the income based on the lower level of exploration activities in 2019.

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MANAGEMENT'S DISCUSSION AND ANALYSIS – SEPTEMBER 2019

For the nine months ended September 30, 2019, exploration expenses totaled \$809,623 (2018 - \$2,160,989) with \$683,428 (2018 - \$2,180,269) associated to exploration activities the Brabant Lake project, \$116,857 (2018 - \$720) related to payments made to Pure Nickel Inc. to acquire their 50% interest in the HPM project in Quebec, \$9,338 (2018 - \$nil) in general exploration expenses offset by \$nil (2018 - \$20,000) in property option payment received.

For the three months ended September 30, 2019, the Company incurred a loss of \$243,306 (Q3/18 - \$156,809). The increase of \$86,497 is mainly related to the following factors: **1.** higher exploration expenses of \$183,678 (Q3/19 - \$278,709 vs Q3/18 - \$95,031) as the summer field exploration at the Brabant Lake project continued in July and August 2019; **2.** higher non-cash flow-through shares premium of \$49,300 (Q3/19 - \$87,694 vs Q3/18 - \$38,394) as the Company recognized the income based on the higher level of qualifying exploration activities in Canada in Q3/19; offset by, **3.** lower investor relations expense of \$28,792 (Q3/19 - \$5,234 vs Q3/18 - \$34,026) as management attended no conference in Q3/19; and, **4.** lower management fees of \$24,585 (Q3/19 - \$26,228 vs Q3/18 - \$50,813) as lower fees paid to the CEO in Q3/19 compared to the former CEO in Q3/18.

For the quarter ended September 30, 2019, exploration expenses totaled \$278,709 (Q3/18 - \$95,031) with all of the \$278,709 (Q3/18 - \$95,030) incurred at the Brabant Lake project in Saskatchewan.

SUMMARY OF QUARTERLY RESULTS

	Third Quarter 2019	Second Quarter 2019	First Quarter 2019	Fourth Quarter 2018
	\$	\$	\$	\$
Total Assets	563,941	944,323	948,668	1,339,466
Current Assets	549,590	928,212	945,740	1,337,356
Non-current Assets	14,351	16,111	2,928	2,110
Total Liabilities	95,674	116,988	180,029	179,866
Interest Income	1,761	1,973	2,628	4,607
Loss	243,306	322,458	517,141	516,683
Loss Per Share ⁽¹⁾	0.00	0.01	0.01	0.01

	Third Quarter 2018	Second Quarter 2018	First Quarter 2018	Fourth Quarter 2017
	\$	\$	\$	\$
Total Assets	1,830,107	2,023,442	2,972,594	4,439,525
Current Assets	1,827,179	2,019,567	2,968,676	4,434,186
Non-current Assets	2,928	3,875	3,918	5,339
Total Liabilities	247,462	283,988	947,136	1,028,352
Interest Income	5,475	5,335	9,653	2,751
Loss	156,809	286,004	1,631,100	253,719
Loss Per Share ⁽¹⁾	0.00	0.01	0.04	0.01
⁽¹⁾ Loss per share remains the same on a diluted basis				

Due to the nature of the business, the cash balance and short-term investments generating interest income are subject to fluctuations from quarter to quarter. The timing of equity financing and ensuing exploration and operating expenses are the main factors affecting the level of funds invested from time to time. The variation in interest rates also has an impact on the interest income.

In Q3-Q2/2019, the Company completed its summer field exploration program at the Brabant Lake project and in Q2-2019, the Company completed a \$408,600 non-brokered flow-through private placement. In Q1-2019, the Company completed an extensive airborne geophysical survey at the Brabant Lake property and on the newly acquired claims. It also acquired joint venture partner Pure Nickel's 50% interest in the HPM project in Québec. In Q4-2018, the Company made a \$225,000 termination payment in December 2018 to end the contract with the former President and CEO of the Company. In Q1-2018, the Company completed a 12,431 metre drill program and a geophysical survey at the Brabant Lake project in Saskatchewan at a

total cost of \$1.9 million. This amount was offset by \$744,494 of non-cash flow-through shares premium income. In Q4-2017, the Company completed a non-brokered private placement of units and flow-through shares for gross proceeds of \$3,839,189 which triggered the recognition of a \$905,490 non-cash flow-through share premium liability.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2019, the Company had no debt, cash of \$512,955 and working capital (excluding flow-through share premium liability) of \$481,484 (December 31, 2018 – \$1,176,697 and \$1,199,157, respectively). The Company's excess cash, when available, is deposited into interest-bearing accounts or invested in redeemable GICs with major Canadian chartered banks.

As at September 30, 2019, the Company had amounts receivable and prepaid expenses totaling \$36,635 which included sales tax receivable of \$18,329 and prepaid expenses of \$18,306 consisting mainly of prepaid insurance.

The September 30, 2019, condensed interim consolidated financial statements were prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. The Company's ability to continue as a going concern is always dependent on its ability to raise new funds to meet its obligations and continue its exploration activities.

Equity Financing

The Company's exploration projects are at an early stage and it has not yet been determined whether any of its properties contain economically recoverable ore. As a result, the Company has no current sources of revenue and has relied on the issuance of shares to generate the funds required to further its projects.

Private Placement

On June 19 and 27, 2019, the Company completed a non-brokered flow-through private placement and issued 3,714,545 flow-through common shares priced at \$0.11 per share for gross proceeds of \$408,600 of which, \$130,009 was allocated to the flow-through premium. Finders' fees of \$3,000 were also paid. Officers of the Company acquired 260,000 flow-through common shares for gross proceeds of \$28,600. All securities issued are subject to a four-month and one day statutory hold period.

Stock Options

In January 2019, the Company granted 665,000 stock options exercisable at \$0.095 to its officers, directors and key consultants. The options are for a period of 5 years and vested immediately.

During the nine months ended September 30, 2019, 1,753,900 stock options expired.

General

The Company's ability to successfully acquire mineral projects or recover amounts expended on mineral properties is conditional on its ability to secure financing when required. The Company expects to meet additional financing requirements through equity financing. The Company may seek other alternatives for financing in the future depending on market conditions and exploration results; however, there can be no assurance that such financing attempts will be successful. The impact on our business and the cost and availability of financing remain uncertain and could affect our overall liquidity.

Commitments and Obligations

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

As at September 30, 2019, the Company has to incur \$86,643 in qualifying exploration expenditures prior to December 31, 2020 to meet its flow-through commitment.

The Company has no long-term contractual obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

a) Remuneration of directors and the officers was as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2019	2018	2019	2018
Salaries and benefits	\$ 26,228	\$ 50,813	\$ 143,733	\$ 235,219
Share-based payments	-	-	59,340	211,185
	\$ 26,228	\$ 50,813	\$ 203,073	\$ 446,404

For the three month period ended September 30, 2019, the salaries and benefits amount above includes \$15,563 (2018 - \$13,313) for fees invoiced by a corporation controlled by the CFO of the Company for his services and \$10,665 (2018 - \$nil) for fees invoiced by the CEO of the Company for his services as CEO. Also, \$nil (2018 - \$37,500) is included in the salaries and benefits amount above for fees invoiced by a corporation controlled by the former CEO of the Company.

For the nine month period ended September 30, 2019, the salaries and benefits amount above includes \$67,188 (2018 - \$92,712) for fees invoiced by a corporation controlled by the CFO of the Company for his services and \$76,545 (2018 - \$nil) for fees invoiced by the CEO of the Company for his services as CEO. Also, \$nil (2018 - \$142,500) is included in the salaries and benefits amount above for fees invoiced by a corporation controlled by the former CEO of the Company. Included in accounts payable and accrued liabilities at September 30, 2019 is \$6,343 (December 31, 2018 - \$10,376) owed to the corporation controlled by the CFO and \$9,116 (December 31, 2018 - \$6,247) to the CEO.

b) Private Placement

As part of the private placement completed in June 2019, officers of the Company acquired 260,000 flow-through common shares for gross proceeds of \$28,600.

PROPOSED TRANSACTIONS

The Company continues to evaluate quality exploration projects and financing opportunities. There are no transactions currently pending.

CHANGES IN ACCOUNTING POLICIES

IFRS 16 – Leases (“IFRS 16”) was issued in January 2016 and replaces IAS 17 – Leases as well as some lease related interpretations. With certain exceptions for leases under twelve months in length or for assets of low value, IFRS 16 states that upon lease commencement a lessee recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the amount of the liability plus any initial direct costs. After lease commencement, the lessee shall measure the right-of-use asset at cost less accumulated depreciation and accumulated impairment. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. IFRS 16 requires that lessors classify each lease as an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise it is an operating lease. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. At January 1, 2019, the Company adopted this standard and there was no material impact on the Company’s condensed interim consolidated financial statement.

FINANCIAL INSTRUMENTS

	September 2019	December 2018
Financial assets:		
Amortized cost		
Cash	\$ 512,955	\$ 1,176,697
Amounts receivable	-	816
FVPL		
Investment	2,110	2,110
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	\$ 68,106	\$ 138,199

As of September 30, 2019 and December 31, 2018, the fair value of all the Company's current financial instruments approximates the carrying value, due to their short-term nature.

Significant accounting judgments and estimates:

The preparation of condensed interim consolidated financial statements in conformity with IFRS requires the Company’s management to make judgments, estimates and assumptions about future events that affect the amounts reported in the condensed interim consolidated financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas that require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to the following:

- ***Assets' carrying values and impairment charges***
In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.
- ***Income and other taxes***
Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

- ***Share-based payments***
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The Company currently estimates the expected volatility of its common shares based on historical volatility taking into consideration the expected life of the options and warrants.

Capital Management:

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, reserves and deficit. The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the quarter and nine months ended September 30, 2019 and the year ended December 31, 2018. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

ADDITIONAL INFORMATION

Outstanding Shareholders' Equity Data

As of November 21, 2019, the following are outstanding:

• Common Shares	48,424,426
• Stock Options	2,413,900
• Warrants	4,844,970

Uncertainties and Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

In addition to the risks outlined the December 31, 2018 annual MD&A, Murchison has identified the extreme volatility occurring in the financial markets as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like Murchison are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets to raise the funds required for its future expenditures.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements based on the Company's current expectations. Forward-looking information can often be identified by forward looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those presented in this document. Accordingly, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law. Readers are cautioned not to place undue reliance on forward-looking information.