MANAGEMENT DISCUSSION AND ANALYSIS

To the Shareholders of Opus One Resources Inc. (the "Company")

INTRODUCTION

This Management Discussion and Analysis ("MD&A") provides a detailed analysis of the business of Opus One Resources Inc. ("Opus" or the "Company") and compares its financial results for the year ended August 31, 2018 to the previous year. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended August 31, 2018. The Company's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars.

The Company's financial results are being reported in accordance with International Financial Reporting Standards ("IFRS"). Further details are included in Note 2 of the condensed interim financial statements for the year ended August 31, 2018. This MD&A is made as of December 12, 2018.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

This MD&A contains certain statements that constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results August differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the Company's ability to identify one or more economic deposits on its property, to produce minerals from its property successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Additional information relating to the Company can be located on the SEDAR website at www.sedar.com.

OVERALL PERFORMANCE AND HIGHLIGHTS

March 5, 2018

The Company announces it will be applying to the TSX Venture Exchange (the "Exchange") for approval to extend the expiry date of 9,130,000 common share purchase warrants (the "Warrants") that were issued as part of a non-brokered private placement completed by the Company on September 19, 2016 (for more details, see the Company's press release dated September 20, 2016).

The Warrants are exercisable for common shares of the Company at a price of $0.15 per common share and presently bear an expiry date of March 19, 2018. The Company is proposing to extend the expiry date of the Warrants by an additional 24 months to 5:00 PM (eastern time) on March 19, 2020. Exchange approval was subsequently received.

April 5, 2018

The Company announced the beginning of a 1,500 meter drilling program, in 10 drill holes, on its Fecteau property. The property is located in the Barry-Windfall gold district where several exploration companies are extremely active, including Osisko Mining at Windfall and Metanor at Barry. The company's objective is to drill a high priority target identified by prospecting, trenching and channel sampling during the summer of 2017.

June 26, 2018

The Company announced that recent exploration and compilation work has convinced the company that the Fecteau property hosts significant potential for gold rich base metal VHMS (Volcanic Hosted Massive Sulphides) type deposits.

During the last winter, ten (10) drill holes totalling 1,671 m were completed with the main objective being to follow up on the discovery of a new surface gold showing exposed during the summer of 2017 stripping program (See November 28th 2017 press release) with 50 metre systematic step outs. Other geophysical targets were also drill tested. Results show a high gold background over several metres within a sericite altered rhyolitic unit hosting a quartz vein and stockwork with 2-3% finely disseminated pyrite in the vicinity of the surface showing and over a total horizontal length of 200 metres. Holes FEC-18-02 to FEC-18-08 returned a total of 93 assays above 0,1g/t Au. The following table lists weighted averages gold values from the best mineralized intervals obtained during the winter drill program.

November 22, 2018

The Company announced it had decided to extend, subject to the approval of the TSX Venture Exchange (the "Exchange"), the expiry dates of a total of 10,000,000 common share purchase warrants (the "Warrants") issued under a non-brokered private placement completed by the Company in the summer of 2017 (for more details, see the Company's press releases dated June 22, 2017 and August 3, 2017). A total of 7,200,000 Warrants issued on June 21, 2017 and 2,800,000 Warrants issued on August 3, 2017, exercisable for common shares of the Company at a price of $0.15 per common share, are set to expire on December 21, 2018 and February 3, 2019, respectively. The Company is proposing to extend the expiry date of these Warrants by an additional 24 months, thereby expiring at 5:00 PM (eastern time) on December 21, 2020 and February 3, 2021, respectively.

ONGOING WORK DURING THE QUARTER AND TO DATE

GENERAL:

Geological mapping, prospecting and sampling program completed on the entire Fecteau property.
A till survey was started in July on the Fecteau property.

COURVILLE:

No work done during the quarter.

VEZZA NORTH:

No work done during the quarter.

VEZZA EXTENSION:

No work done during the quarter.

BACHELOR EXTENSION:

No work done during the quarter.

WINWIN:

No work done during the quarter.

GRIZZLY:

No work done during the quarter.

FECTEAU:

-In June-July, Fecteau property was the object of an intensive effort of mapping, prospecting and sampling over the entire property to define future targets. Many new loggings roads completed last year grant access to new portions of the property poorly explored in the past. More than 150 new and historical outcrops were visited or re-visited for mapping and sampling. More than 120 samples were sent for ICP analysis and mutli-element to determine their metal contents and any eventual VMS alteration. Results are pending.

-Also, this summer, a till survey was started over the entire property. This survey will be useful to locate gold and base metals anomalies. The survey was completed in November and the results are pending.

-10 holes, 1,671m drill program was completed in April targeting gold showings discovered in 2017 and other geophysical targets. Results were discussed in a press release of June 26, 2018 announcing that recent exploration and compilation work had convinced the company that the Fecteau property hosts significant potential for gold rich base metal VHMS (Volcanic Hosted Massive Sulphides) type deposits. The Fecteau property is located in the Urban-Barry gold district where Osisko Mining recently disclosed a new resource calculation of 0.6 Moz gold indicated and 2.3 Moz gold inferred. (See Osisko Mining Inc. May 14th 2018 press release)

In addition to its gold potential, Fecteau hosts a well-developed and folded unit of felsic volcanics that can be followed for approximately 15 km. The summit of the felsic unit is capped by a zone of sulphides (gossans with stringers to locally massive sulphide mineralization) creating strong sub-vertical EM conductors over ten (10) kilometers along the North flank of the Fecteau syncline and five (5) additional kilometers along the South flank. Although no massive sulphide deposit has yet been discovered on the property, numerous significant base metal results have been obtained at surface or in drill intercepts on the property. Among historical base metal results we note: 1.56% Zn over 5.6 m (Drill hole # FEC-98-01-GM56272); 1.6% Zn over 1.2 m (Drill hole #87-2- GM46447); 2.5% Cu, 1.85 g/t Au (Grab sample - GM58429) and 1.9% Cu, 1.08 g/t Au (Grab sample- GM48455). (Source: SIGEOM public database)

The property is known for its precious metal potential as demonstrated by the six (6) gold showings discovered to date. Most of these gold showings are actually hosted by felsic units all over the property, especially close to NNE-SSW and E-W structures.

During the last winter, ten (10) drill holes totalling 1,671 m were completed with the main objective being to follow up on the discovery of a new surface gold showing exposed during the summer of 2017 stripping program (See November 28th 2017 press release) with 50 metre systematic step outs. Other geophysical targets were also drill tested. Results show a high gold background over several metres within a sericite altered rhyolitic unit hosting a quartz vein and stockwork with 2-3% finely disseminated pyrite in the vicinity of the surface showing and over a total horizontal length of 200 metres. Holes FEC-18-02 to FEC-18-08 returned a total of 93 assays above 0,1g/t Au. The following table lists weighted averages gold values from the best mineralized intervals obtained during the winter drill program.

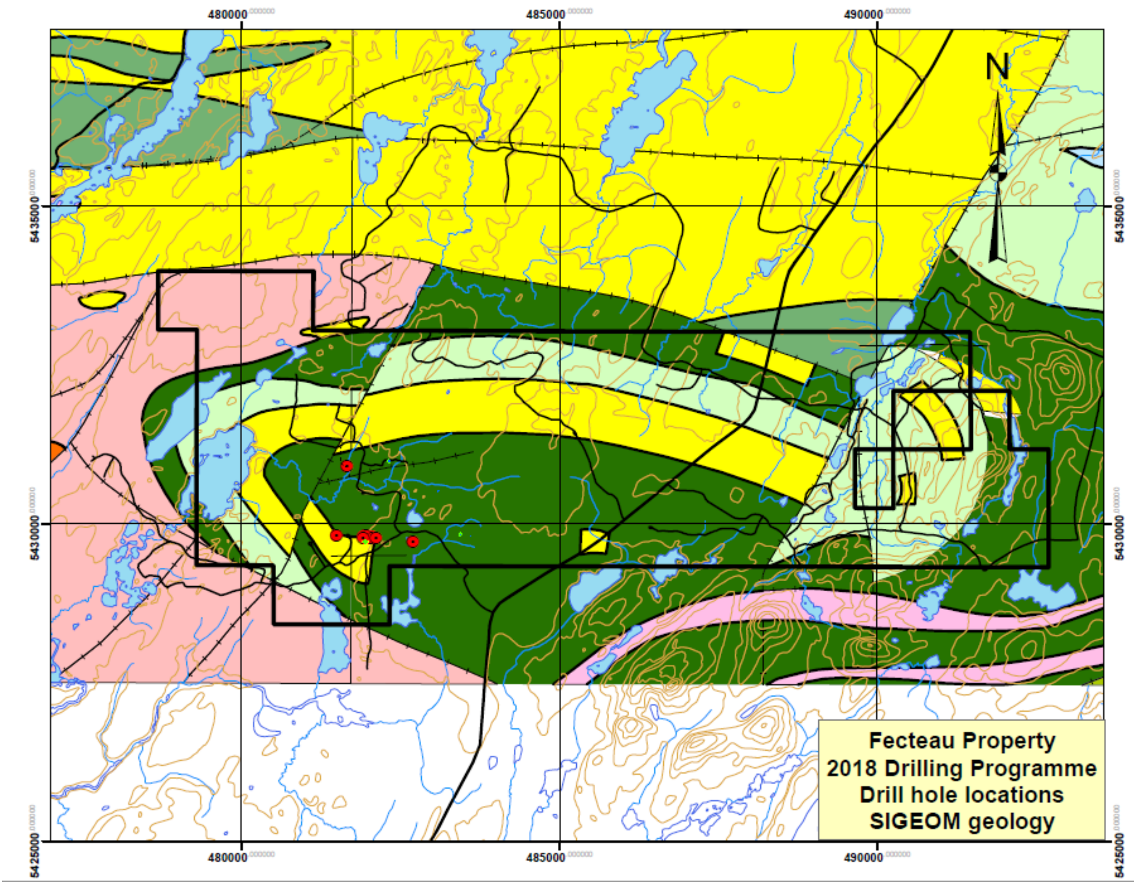
Hole #	**From**	**To**	**Length (m)**	**Au g/t**
FEC-18-01				NSV
FEC-18-02	63,00	81,00	18,00	0,29
Incl.	63,00	64,50	1,50	1,41
FEC-18-03	87,47	95,95	8,48	0,20
and	106,34	111,73	5,39	0,14
FEC-18-04	82,00	85,00	3,00	0,25
FEC-18-05	138,26	153,00	14,74	0,15
FEC-18-06	79,00	88,66	9,66	0,34
FEC-18-07	68,00	69,90	1,90	0,24
FEC-18-08	70,07	76,50	6,43	0,34
and	143,00	150,00	7,00	0,16
FEC-18-09				NSV
FEC-18-10				NSV

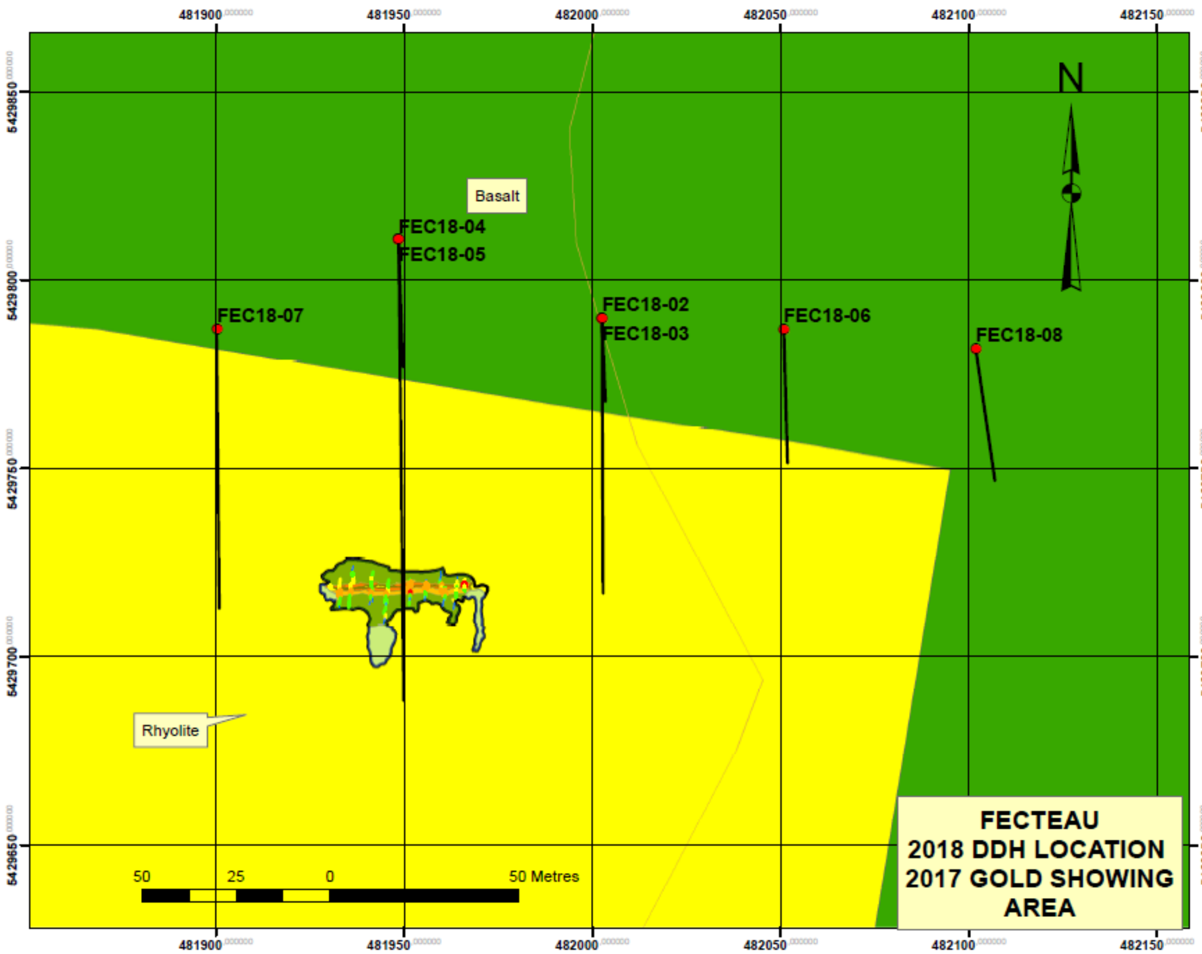
All holes intersected a sequence of mafic to felsic volcanics, with local sericite or black chlorite pervasive alteration. Sulfides bearing quartz veins and stockwork zones were systematically sampled for gold assaying.

A general location map of the Fecteau property with drill hole locations and a close up map of the 2017 gold showing area with traces of 2018 diamond drill holes can be found at the end of the release.

During the summer months, Opus One focussed its exploration effort on Fecteau towards a till survey and detailed mapping and sampling in order to define future targets.

Mr. Louis Morin, CEO, states: "Following a recent property visit, the management of the company is very pleased with the new developments on the Fecteau property. Latest results are significant as those have provided very important information as it will help our technical team in its understanding of the incredible mineral potential of the property."





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Basalt
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FEC18-05
FEC18-07
FEC18-02
FEC18-03
FEC18-06
FEC18-08
Rhyolite
50
25
0
50 Metres
FECTEAU
2018 DDH LOCATION
2017 GOLD SHOWING
AREA

EXPLORATION AND EVALUATION ASSETS
YEAR ENDED AUGUST 31, 2018

The Company incurred property acquisition and deferred exploration costs, which are included in exploration and evaluation assets, as follows:

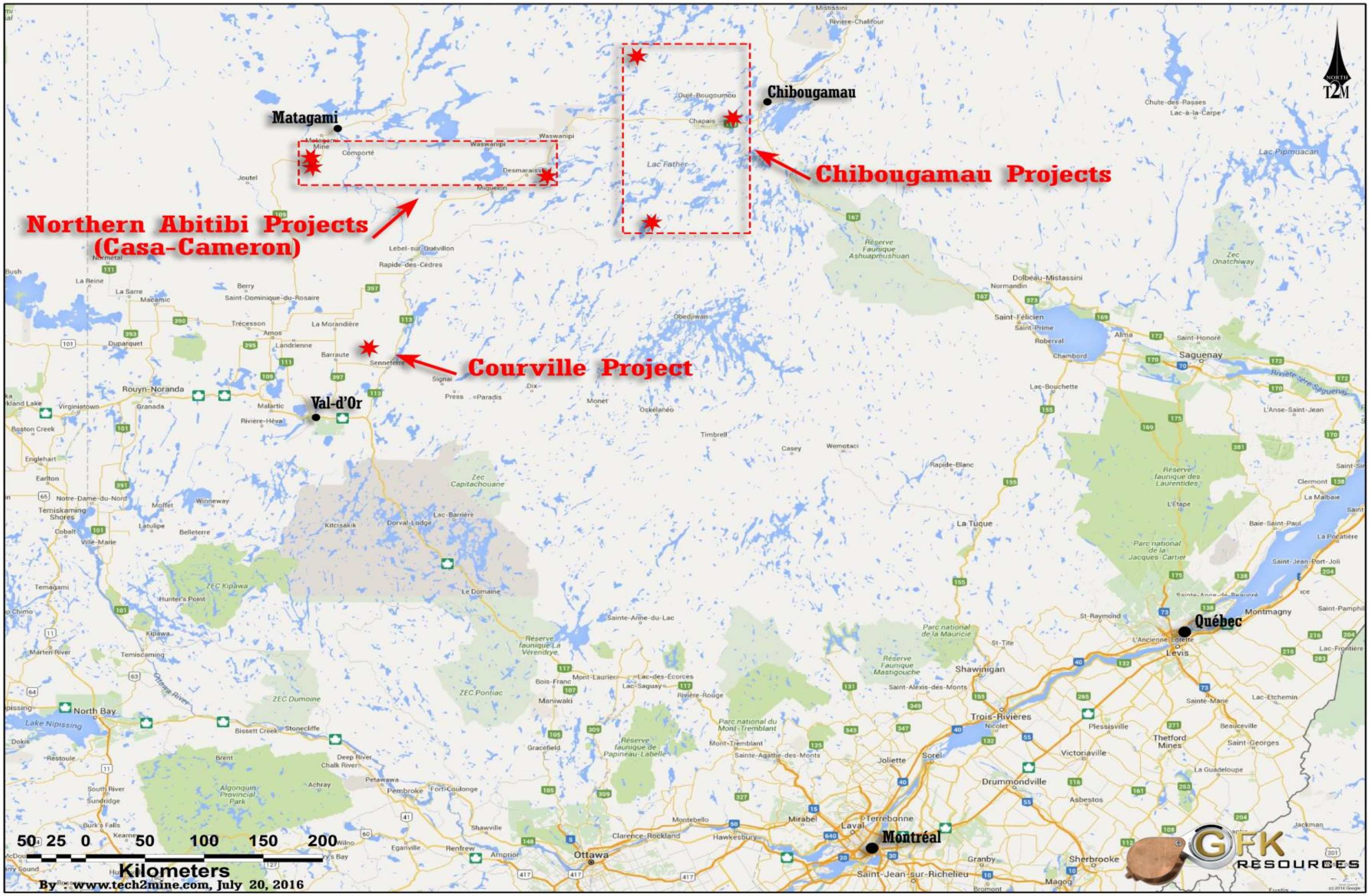
	Vezza North	Vezza Extension	Bachelor Extension	WinWin	Grizzly	Fecteau	Courville	Total
Balance, August 31, 2017	$ 546,593	$ 459,100	$ 273,557	$ 251,552	214,765	$ 163,175	$ 1,604	$ 1,910,346
Deferred exploration costs:								
Drilling	-	-	-	400	-	208,046	-	208,446
Geophysical	-	-	-	-	-	21,788	-	21,788
Geological	-	1,170	3,763	46,460	43,852	102,654	213	198,110
General field expense	-	-	-	24,751	22,109	58,446	195	105,502
Claim management	2,056	4,019	795	3,551	6,543	9,394	-	26,357
Total expenditures	2,056	5,189	4,557	75,162	72,503	400,327	408	560,202
Refundable tax credits	248	1,242	(4,590)	(15,785)	(1,941)	(57,434)	(25)	(78,285)
Balance, August 31, 2018	$ 548,897	$ 465,531	$ 273,525	$ 310,929	$ 285,327	$ 506,068	$ 1,987	$ 2,392,263

EXPLORATION ACTIVITIES FOR THE YEAR ENDED AUGUST 31, 2017

The Company incurred property acquisition and deferred exploration costs, which are included in exploration and evaluation assets, as follows:

	Vezza North	Vezza Extension	Bachelor Extension	WinWin	Grizzly	Fecteau	Courville	Total
Balance, August 31, 2016	$ 457,728	$ 398,540	$ 209,924	$ 39,427	$ 34,426	$ 39,367	$ 658	$ 1,180,070
Deferred exploration costs:								
Drilling	97,934	64,605	51,549	114,169	-	-	-	328,257
Geophysical	-	-	-	41,059	76,482	39,259	-	156,800
Geological	8,755	7,049	10,314	23,780	54,396	41,226	-	145,520
General field expense	20,218	13,500	26,453	28,558	55,127	37,968	-	181,824
Claim management	4,166	3,144	2,209	1,558	10,066	4,886	946	26,975
	131,073	88,298	90,525	209,124	196,071	123,339	946	839,376
Acquisition costs								
Cash	-	-	-	60,000	40,000	31,855	-	131,855
	-	-	-	60,000	40,000	31,855	-	131,855
Total expenditures	131,073	88,298	90,525	269,124	236,071	155,194	946	971,231
Refundable tax credits	(42,208)	(27,738)	(26,892)	(56,999)	(55,732)	(31,386)	-	(240,955)
Balance, August 31, 2017	$ 546,593	$ 459,100	$ 273,557	$ 251,552	214,765	$ 163,175	$ 1,604	$ 1,910,346

Opus One General Property Location Map (Figure 1)



Chibougamau Projects

On June 20, 2016, the Company entered into three separate option agreements (the "Agreements") with various Quebec based prospectors all dealing at arm's length with the Company.

The claims are located in the Chibougamau-Chapais and Urban-Barry mining camps.

Under the terms of the Agreements, Opus has the option to acquire 100% interest in each property on the following terms and conditions:

WinWin
Cash payments over a 4-year period totalling $500,000 (paid $95,000), and incurring exploration expenditures totaling $2,000,000 over a 4-year period (incurred $284,286).
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Grizzly
Cash payments over a 4-year period totalling $400,000 (paid $70,000), and incurring exploration expenditures totaling $1,500,000 over a 4-year period (incurred $268,574).

Fecteau
Cash payments over a 4-year period totalling $355,000 (paid $55,000), and incurring exploration expenditures totaling $1,200,000 over a 4-year period (incurred $538,674).

Each property is subject to a 2% net smelter royalty ("NSR") of which 1% can be repurchased for a one-time cash payment of $1,000,000 per property. The Agreements provided for cash payments totaling $185,000 due June 10, 2018 which the Company has not completed. Negotiations with the optionors is ongoing in an effort to restore the Company's compliance under the Agreements.

Courville

Pursuant to an option agreement dated April 30, 2005, the Company acquired a 100% interest in certain mineral claims in Courville Township, Quebec (the "Courville Property"), from a company controlled by common management. To acquire the interest, the Company issued to the vendor 1,000,000 common shares at a value of $180,000 and was required to incur $73,000 of expenditures (incurred by Wealth Minerals Ltd. ("Wealth")).. The vendor will retain a 1.5% NSR.

On December 14, 2007, the Company entered into an option agreement with Wealth pursuant to which the Company granted Wealth the option to acquire up to an undivided 20% interest in the Courville Property by incurring expenditures on the property totaling $375,000 by December 30, 2008 (additional 10% option not exercised). Wealth has earned a 10% interest in the property. The Company will retain a 1.5% NSR.

Northern Abitibi Projects (Casa Cameron)

Original option
Pursuant to an option agreement dated December 12, 2013 and superseded by a purchase agreement with a company with a former director in common, Probe Metals Inc. ("Probe") , the Companyagreed to purchase three of the Casa-Cameron properties located in the Abitibi Greenstone Belt, Quebec (the "Properties"), being Vezza North, Vezza Extension and Bachelor Extension, in exchange for the issuance of a total 3,000,000 common shares (issued and valued at $390,000);

The Company was also required to pay Probe $275,000, payable as $175,000 on closing (paid) and a further $100,000 payable no later than November 15, 2016 (paid). The payment was inclusive of $154,000 in exploration expenditures completed on the Casa-Cameron project, with the balance of the payment recorded as a cash acquisition cost.

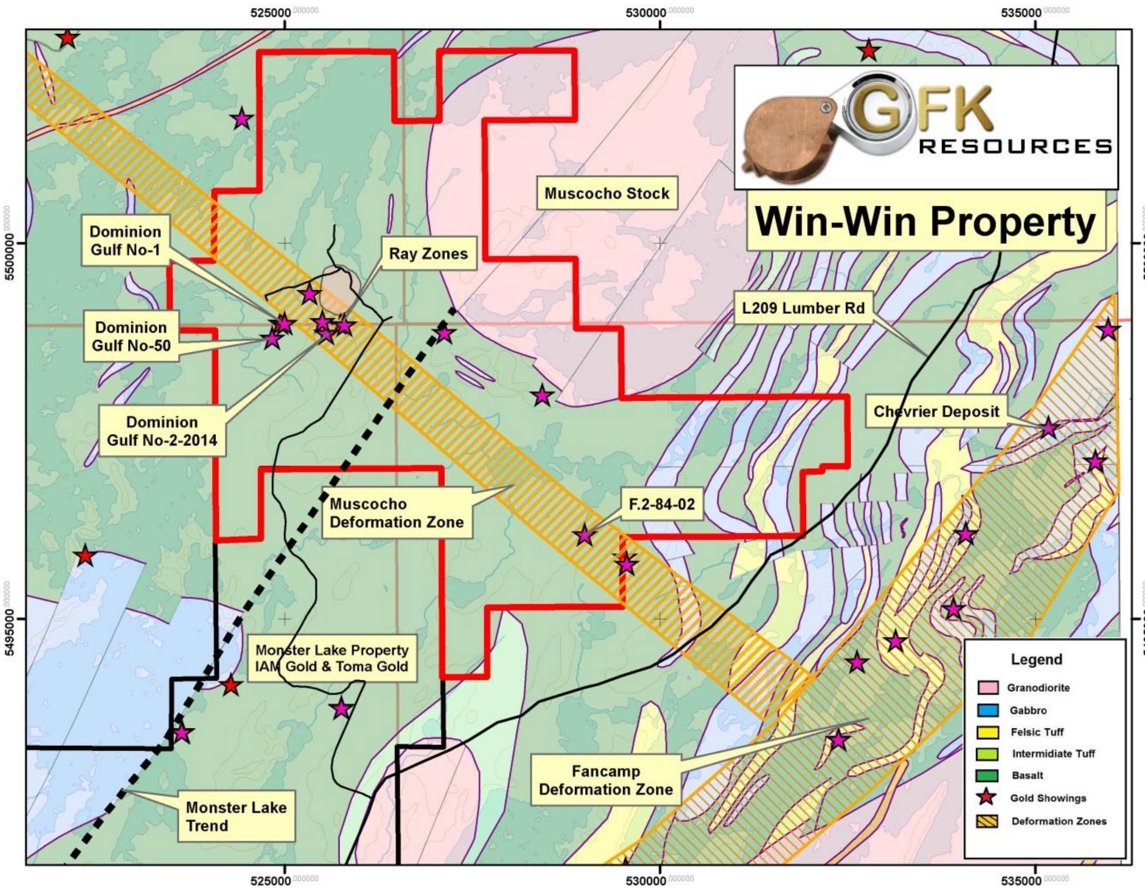
The Properties are subject to a 2% NSR to Probe, 1% of which may be bought back by the Company for $1,000,000. The Company has also assumed certain existing royalty obligations for certain claims within the Properties. Further, the Company agreed to pay $1,000,000 to Probe for any of the Properties for which a pre-feasibility study is prepared and filed, payable in cash or shares at the discretion of the Company.

Refundable taxes

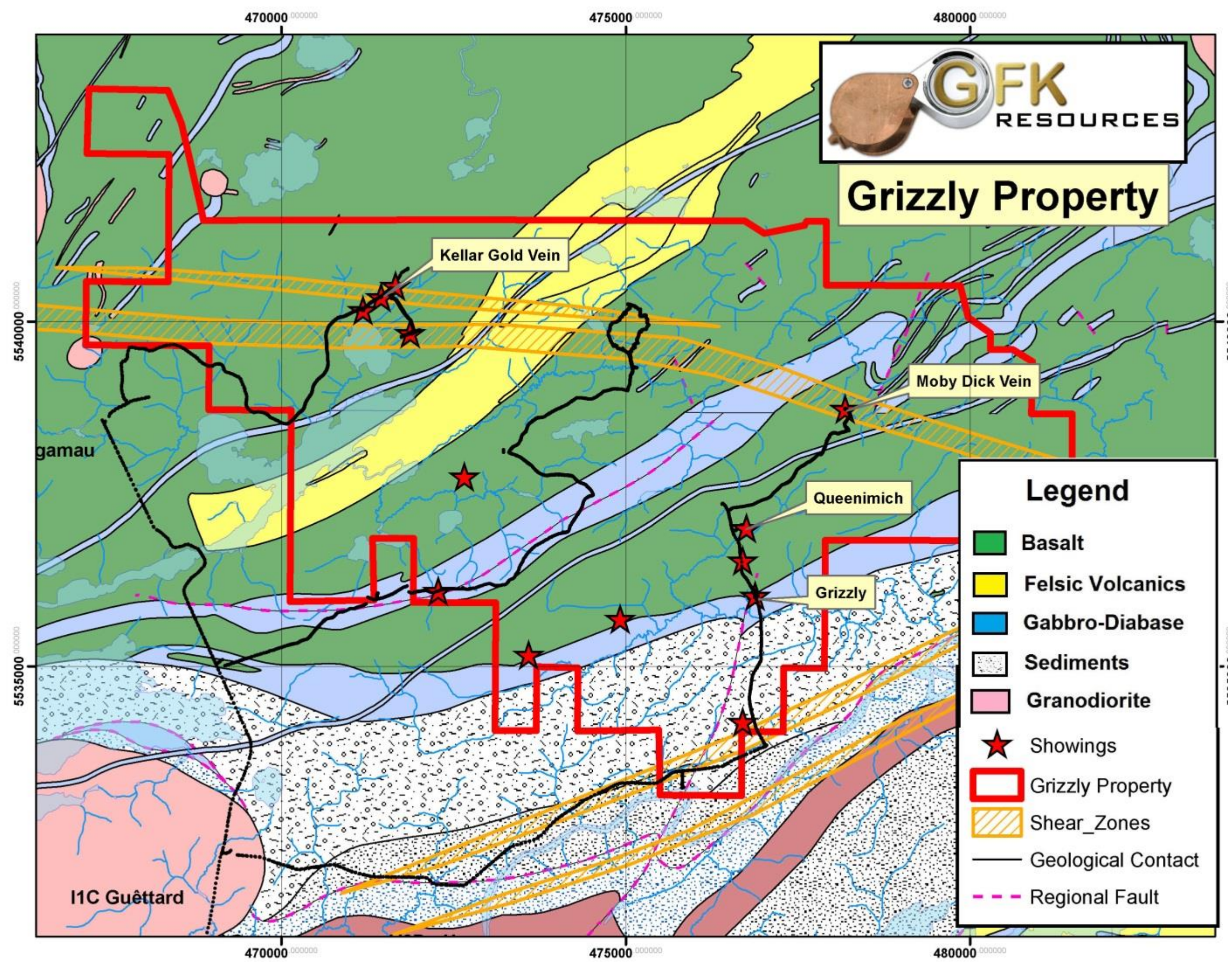
At August 31, 2018, the Company has estimated that $322,900 (August 31, 2017 - $294,507) of refundable mining tax credits were receivable from the province of Quebec based on exploration expenditures incurred.

A description of each Property follows:

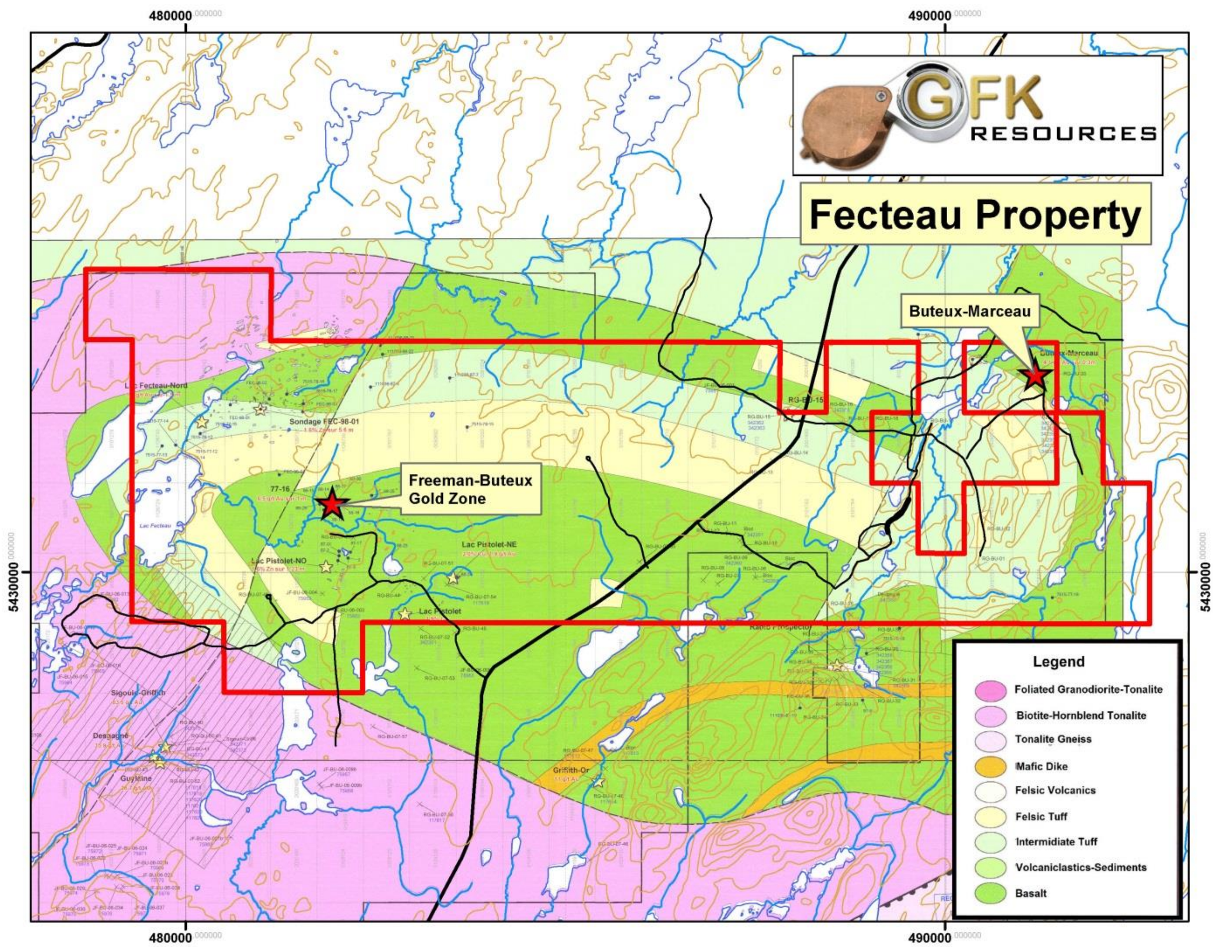
WinWin is a gold property which consists of 71 mining claims covering an area of 3,570 hectares located approximately 30 kilometres South of the town of Chapais. The Property is directly adjacent to the North frontier of IAMGOLD/ Tomagold Monster Lake property and covers a six kilometers strike length of the Monster Lake Deformation Zone (FDZ) and subsidiary shear zones. Numerous gold showings and occurrences are present on the property that shows similarities with the Monster Lake project geology.



Grizzly is a gold property which consists of 136 mining claims covering an area of 7,371 hectares located approximately 35 kilometres North-west of the town of Chapais. The property contains more than 10 gold showings and occurences associated with EW and NNE trends with grades varying from 1 g/t to up to 46 g/t. Very limited exploration work such as basic prospection, mechanical trenching and few shallow drilling was done over the property



Fecteau is a gold and base metals property which consists of 84 mining claims covering an area of 4,796 hectares located in Buteux Township, South of the town of Chapais. The property is located directly next to Osisko Mining land package of Urban Barry area in the same geological package containing the Windfall Lake deposit (748k oz of indicated resources at 8,4g/t and 860koz at 7,6 g/t of inferred resources, SRK Consulting, November 13, 2014). Two gold occurences were recognized in the past, namely the Freeman Buteux gold zone and the Buteux-Marceau gold showing. Gold grades up to 8,0g/t were intersected near surface. Little attention was accorded to the gold potential of this project that was considered as a base metal property for most of the previous land owners.



NORTHERN ABITIBI (VEZZA; BACHELOR) PROPERTY ACQUISITIONS

Original option

Pursuant to an option agreement dated December 12, 2013 and superceded by a purchase agreement with a company with a former director in common, Probe Metals Inc. ("Probe") (formerly Adventure Gold Incorporated)

The Company agreed to purchase three of the Casa Cameron properties located in the Abitibi Greenstone Belt, Quebec (the "Properties"), being Vezza North, Vezza Extension and Bachelor Extension, in exchange for the issuance of a total 3,000,000 common shares (issued and valued at $390,000);

The Company was also required to pay Probe $275,000, payable as $175,000 on closing (paid) and a further $100,000 payable no later than November 15, 2016 (paid). The Payment was inclusive of $154,000 in exploration expenditures completed on the Casa-Cameron project, with the balance of the payment recorded as a cash acquisition cost.

The Properties are subject to a 2% net smelter returns royalty ("NSR") to Probe, 1% of which may be bought back by the Company for $1,000,000. The Company has also assumed certain existing royalty obligations for certain claims within the Properties. Further, the Company agreed to pay $1,000,000 to Probe for any of the Properties for which a pre-feasibility study is prepared and filed, payable in cash or shares at the discretion of the Company.

As a result of the purchase, management concluded that the value of five additional properties (Cere-113, Bell-Vezza, Bruneau-Sinclair, Casagosic and KLM) should be written off, resulting in a total impairment charge of $384,266 during the year ended August 31, 2016.

NORTHERN ABITIBI PROJECT BACKGROUND

The following information concerning the Property has been taken and summarized from and is based upon the technical report prepared by Rémi Charbonneau, Geologist, Ph.D, OGQ permit #290 and Isabelle Robillard, Geologist, M.Sc., OGQ permit #287 (the "Technical Report"), in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101"). Mr. Charbonneau and Ms. Robillard are each a "Qualified Person" for the purposes of NI 43-101 and are each independent of Opus within the meaning of NI 43-101. As certain portions of the Technical Report are based on assumptions, qualifications, references and procedures, reference is made to the full text of the Technical Report filed by Opus on SEDAR under its profile at www.sedar.com. Readers are strongly encouraged to review the Technical Report in its entirety.

Area and Location

The Project is located in the Abitibi region of Quebec extending from the Vezza township north of La Sarre to the Le Sueur township northeast of Lebel-sur-Quévillon (Figure 1). The Project originally included nine properties distributed along the 225 km strike of the Casa-Bérardi Cameron structural corridor which presents gold potential. Following the completion of the Asset Purchase Agreement with Adventure Gold, the following individual claims remain as part of the Northern Abitibi Projects:

- Vezza North and Vezza Extension properties are located some 27 km south of Matagami and 152 km north of the town of Amos;
- Bachelor Extension Property is located 90 km north of Lebel-sur-Quévillon and less than 15 km northeast of Desmaraisville.

The continuing project consists of 164 mining titles, with a total surface area of 8,290 ha or 82,9 km^2. The claims are not contiguous and form three (3) properties, each one being represented by a single continuous claim block, except for the Vezza North property which includes two entities, referred to as the West claim blocks and the East claim blocks.

All the claims are in good standing and are free from any obligations or environmental liability, restoration or decommissioning works. According to Mining Act (Québec) (the "Mining Act"), renewal of claims takes place every two years, with cost depending on area. Claim holders are required to conduct statutory work during the validity period of the claim. Where a claim or lease shows excess spending amounts for required works, these amounts are put to the credit of the claims and are expected to cover several years in most cases. The Project's renewal fees represent $9,436, the statutory work requirement is $132,234 and the Project has excess work credits of $31,034.

The properties comprising the Project are in good standing.

Risk Factors

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural exploration and evaluation assets. Due to the nature of the Company's proposed business and the present stage of exploration of its exploration and evaluation assets, the following risk factors, among others, will apply:

Mining Industry is Intensely Competitive: The Company's business is the acquisition and exploration of exploration and evaluation assets. The mining industry is intensely competitive and the Company will compete with other companies that have far greater resources.

Resource Exploration and Development is Generally a Speculative Business: Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover resource deposits but from finding resource deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that August be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of resources and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of these factors August result in the Company not receiving an adequate return on invested capital. The vast majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Fluctuation of Metal Prices: Even if commercial quantities of resource deposits are discovered by the Company, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company August affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest August be mined at a profit.

Permits and Licenses: The operations of the Company will require consents, approvals, licenses and/or permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary consents, approvals, licenses and permits that August be required to carry out exploration, development and mining operations at its projects.

No Assurance of Profitability: The Company has no history of earnings and, due to the nature of its business, there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or, possibly, from the sale or optioning of a portion of its interest in its exploration and evaluation assets.

Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that might be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of its property, there can be no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, August be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Uninsured or Uninsurable Risks: The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Government Regulation: Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes and labour standards. In addition, the profitability of any mining prospect is affected by the market for precious and/or base metals which is influenced by many factors including changing production costs, the supply and demand for metals, the rate of inflation, the inventory of metal producing corporations, the political environment and changes in international investment patterns.

Environmental Matters: Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted and which August well be beyond the capacity of the Company to fund. The Company's right to exploit any mining properties is and will continue to be subject to various reporting requirements and to obtaining certain government approvals and there can be no assurance that such approvals, including environment approvals, will be obtained without inordinate delay or at all.

Insufficient Financial Resources: The Company does not presently have sufficient financial resources to undertake by itself the exploration and development of any significant exploration and development programs. The development of the Company's property will therefore depend upon the Company's ability to obtain financing through the joint venturing of projects, private placement financing, public financing or other means. There can be no assurance that the Company will be successful in obtaining the required financing. Failure to raise the required funds could result in the Company losing, or being required to dispose of, its interest in its property. In particular, failure by the Company to raise the funding necessary to maintain in good standing the various option agreements it has entered into could result in the loss of the rights of the Company to such property. In addition, should the Company incur significant losses in future periods, it August be unable to continue as a going concern, and realization of assets and settlement of liabilities in other than the normal course of business August be at amounts significantly different from those reflected in its current financial statements. The Company estimates that it can continue operations, at a minimum, for the next twelve months. At August 31, 2018, the Company had cash of $72,192.

In recent months and weeks, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility, and the market price of securities of some companies, particularly those considered exploration stage companies, have experienced declines in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.

Therefore, there can be no assurance that significant fluctuations in the trading price of the Company's common shares will not occur, or that such fluctuations will not materially adversely impact on the Company's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

Dependence Upon Others and Key Personnel: The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including (i) the ability to design and carry out appropriate exploration programs on its exploration and evaluation asset; (ii) the ability to produce resources from any resource deposits that August be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability to obtain the operating resources to develop and maintain the property held by the Company. These and other factors will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities. This is especially true as the competition for qualified geological, technical and mining personnel and consultants is particularly intense in the current marketplace.

Price Fluctuations and Share Price Volatility: In recent months, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual and extreme fluctuations in price will not occur.

Uncertainty of Resource Estimates/Reserves: Unless otherwise indicated, mineralization figures presented in the Company's filings with securities regulatory authorities, press releases and other public statements that August be made from time to time are based upon estimates made by Company personnel and independent geologists. These estimates are imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which August prove to be unreliable. There can be no assurance that:

- these estimates will be accurate;
- reserves, resource or other mineralization figures will be accurate; or
- this mineralization could be mined or processed profitably.

Because the Company has not commenced production at its property, and has not defined or delineated any proven or probable reserves on any of its properties, mineralization estimates for the Company's property August require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, August differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale. The resource estimates contained in the Company's filings with securities regulatory authorities, press releases and other public statements that August be made from time to time have been determined and valued based on assumed future prices, cut-off grades and operating costs that August prove to be inaccurate. Extended declines in market prices for gold, silver, copper or other metals August render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reductions in estimates of mineralization, or of the Company's ability to extract this mineralization, could have a material adverse effect on the Company's results of operations or financial condition.

The Company has not established the presence of any proven and probable reserves at its exploration and evaluation asset. There can be no assurance that subsequent testing or future studies will establish proven and probable reserves at the Company's exploration and evaluation asset. The failure to establish proven and probable reserves could restrict the Company's ability to successfully implement its strategies for long-term growth.

Surface Rights and Access: Although the Company acquires the rights to some or all of the resources in the ground subject to the tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its resource tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights can be costly and time consuming. In areas where there are no existing surface rights holders, this does not usually cause a problem, as there are no impediments to surface access. However, in areas where there are local populations or land owners, it is necessary, as a practical matter, to negotiate surface access. There can be no guarantee that, despite having the right of law to access the surface and carry on mining activities, the Company will be able to negotiate a satisfactory agreement with any such existing landowners/occupiers for such access, and therefore it August be unable to carry out mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company August need to rely on the assistance of local officials or the courts in such jurisdiction.

Title: Although the Company has taken steps to verify the title to the exploration and evaluation asset in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee title. Title to exploration and evaluation assets August be subject to unregistered prior agreements or transfers, and August also be affected by undetected defects or the rights of indigenous peoples.

SELECTED FINANCIAL INFORMATION

Selected items only:		August 31, 2018 Annual	August 31, 2017 Annual	August 31, 2016 Annual
Statement of Comprehensive Loss Data				
Revenue		$ Nil	$ Nil	$ Nil
Expenses				
Consulting fees paid or accrued		207,407	129,868	130,665
Insurance		11,158	10,801	12,677
Shareholder communications		49,595	12,087	561
Professional fees		49,669	55,694	42,039
Share based payments		33,334	-	35,640
Transfer agent and filing fees		31,433	31,888	34,563
Other items				
Reversal of flow through premium		88,694	22,756	-
Write-off of exploration and evaluation assets		-	-	(384,266)
Loss and comprehensive loss		**$ (363,945)**	**$ (253,051)**	**$ (664,240)**
Loss per common share		**$ (0.01)**	**$ (0.01)**	**$ (0.02)**

	August 31, 2018	August 31, 2017	August 31, 2016
Statement of Financial Position Data			
Assets			
Cash	$ 72,192	932,497	169,342
Receivables	415,300	452,462	119,357
Prepaid expenses	3,667	3,724	3,690
Exploration and evaluation assets	2,392,263	1,910,346	1,180,070
Liabilities / Equity			
Current liabilities	179,503	240,244	201,720
Shareholders’ equity	$ 2,703,919	3,058,785	1,270,739
Average shares outstanding	63,354,373	49,114,207	37,812,652

Year ended August 31, 2018 compared to the year ended August 31, 2017

During the year ended August 31, 2018, the Company had net loss of $363,945 as compared to a net loss of $253,051 for the prior year.

Consulting fees of $207,407 (2017 - $129,868) have increased due to an accrual for new consulting agreements effective July 1, 2017, although an additional amount of $47,898 was capitalized to exploration and evaluation assets based on time spent related to our exploration activities. Shareholder communications of $49,595 (2017 - $12,087) increased due to the cost of engaging outside professionals to assist in enhancing the Company's exposure both in Canada and internationally. A new shared office space had been arranged during the quarter commencing in February, 2017 resulted in office rental of $6,000 (2017 - $4,500). Regulatory costs of $31,433 (2017 - $31,888) were essentially comparable. Travel of $41,730 (2017 - $16,432) increased substantially as a result of our efforts to be more visible within the financial community through the attendance of more shows and conferences. All other material administrative expense categories remained comparable period over period.

The Company spent $560,202 during the period on a broad range of exploration activities primarily throughout its Chibougamau / Chapais properties. During the 2017 fiscal year, the Company also completed a flow-through share financing with a related premium liability of $111,450, of which $88,694 reversed in the current year due to qualifying expenditures incurred during that period. Also, the Company recorded $33,334 (2017 - $Nil) share based payments as a result of the timing and nature of stock option grants.

Three months ended August 31, 2018 compared to the three-month period ended August 31, 2017

During the quarter ended August 31, 2018, the Company had net loss of $110,234 as compared to a net loss of $68,904 for the same period in the prior year.

Consulting fees of $51,130 (2017 - $44,327) have increased due to an accrual for new consulting agreements effective July 1, 2017, although an additional amount of $17,485 was capitalized to exploration and evaluation assets based on time spent related to our exploration activities. Shareholder communications of $4,353 (2017 - $2,460) increased marginally. A new shared office space had been arranged during the quarter commencing in February, 2017 resulted in office rental of $1,500 (2017 - $1,500). Regulatory costs of $11,569 (2017 - $10,834) were affected only slightly by the timing of expenditures relating to our annual general meeting. Travel of $13,057 (2017 - $3,710) increased substantially as a result of our efforts to be more visible within the financial community through the attendance of more shows and conferences. All other material administrative expense categories remained comparable period over period.

The Company spent $76,468 (2017 - $87,802) during the period on a broad range of exploration activities primarily throughout its Chibougamau / Chapais properties.

QUARTERLY FINANCIAL INFORMATION

The table below sets out the quarterly results for the past eight quarters:

	August 2018	May 2018	February 2018	November 2017
Revenues	$ Nil	$ Nil	$ Nil	$ Nil
Operating expenses	110,234	111,034	133,972	97,398
Loss for the period	(110,234)	(48,439)	(133,972)	(71,299)
Loss per share	(0.0)	(0.0)	(0.0)	(0.0)

	August 2017	May 2017	February 2017	November 2016
Revenues	$ Nil	$ Nil	$ Nil	$ Nil
Operating expenses	91,660	62,542	74,664	46,941
Loss for the period	(68,904)	(62,542)	(74,664)	(46,941)
Loss per share	(0.0)	(0.0)	(0.0)	(0.0)

The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation and acquisition program and the timing and results of the Company's exploration activities on its current property, none of which are possible to predict with any accuracy. The variation in net loss can also be significantly affected by the timing of stock option grants and the resultant share-based payment charges, and impairment charges relating to exploration and evaluation assets.

LIQUIDITY AND CAPITAL RESOURCES

The Company depended upon the junior capital markets to raise equity financing needed to fund its working capital requirements. The Company has no revenue generating operations from which it can internally generate funds. It relies on either the sale of its own shares as needed, or the sale or option of its exploration and evaluation assets. This situation is unlikely to change until such time as the Company can develop a bankable feasibility study on one of its projects.

When optioning properties the Company will sometimes issue its own stock to the vendor of the property as partial or full consideration for the property in order to conserve its cash.

No financing occurred during the current fiscal year.

On June 22, 2017, the Company completed the first closing of a unit and flow-through share non-brokered private placement for total gross proceeds of $1,167,200. The Company issued 7,200,000 units at a price of $0.10 per unit ($720,000) and 3,440,000 flow-through common shares at a price of $0.13 per flow-through share ($447,200). Each unit consisted of one common share of the Company and one common share purchase warrant, each warrant entitling the purchaser to acquire one additional common share of the Company at a price of $0.15 per share until December 21, 2018.

The Company paid total finders' fees of $28,160 in cash and issued 224,000 non-transferable share purchase warrants, each warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.10 per share until December 21, 2018.

On August 3, 2017, the Company completed the second and final closing 2,800,000 units at a price of $0.10 per unit ($280,000) and 275,000 flow-through common shares at a price of $0.13 per share ($35,750). Each unit consisted of one common share of the Company and one common share purchase warrant, each warrant entitling the purchaser to acquire one additional common share of the Company at a price of $0.15 per share until February 3, 2019.

The Company paid with the final closing finders' fees of $20,880 in cash and issued 204,000 non-transferable share purchase warrants, each warrant entitling the holder thereof to purchase one common share of the Company at a price of $0.10 per share until February 3, 2019.

A flow through liability of $111,450 was recorded on the above financings based on the premium paid for these shares. As a result of expenditures incurred, the liability has since been reduced by $111,450 to $Nil.

The Company had a working capital of $311,656 which includes amounts owing to related parties of $118,304 (August 31, 2017 - $37,293).

OFF – BALANCE SHEET ARRANGEMENTS

The Company has not entered into any significant off-balance sheet arrangements or commitments.

RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

Management compensation

The Company defines key management as its directors and officers. Key management personnel compensation comprised:

Years ended August 31:	2018	2017
Consulting fees (expensed and capitalized) paid to directors and officers (Louis Morin, Tony Brisson and Michael Kinley)	$ 255,306	$ 171,090
Professional fees	-	10,000
As at year end:		
Due to related parties	118,304	37,293

Amounts due to related parties are owed to directors and officers and/or to companies controlled by them, are non-interest bearing, unsecured, with no specific terms of repayment.

PROPOSED TRANSACTIONS

Although the Company is always open to investigating additional property acquisitions that might arise from time to time, as at the date of this MD&A the Company is focused on the exploration requirements of the Chibougamau and Northern Abitibi Projects. The Company does not have any proposed transactions as of the date of the MD&A.

OUTLOOK FOR THE NEXT QUARTER

During the next quarter, the Company anticipates to complete the following exploration work:

- Fecteau till sampling program results.
- Fecteau lithogeochem results to be received.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Accounts specifically requiring the use of management's best estimates and assumptions in determining the stated amounts related to deferred income taxes and the evaluation of fair value of exploration and evaluation assets. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

IFRS ACCOUNTING POLICIES

The significant accounting policies for the period are consistent with those disclosed in the audited annual financial statements for the year-ended August 31, 2018.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are controls and other procedures that are designed to provide reasonable assurance that all relevant information required to be disclosed in the Company's reports filed or submitted as part of the Company's continuous disclosure requirements is gathered and reported to senior management, including the Company's Chief Executive Officer and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure and such information can be recorded, processed, summarized and reported within the time periods specified by applicable regulatory authorities.

Management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as at August 31, 2018 as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer, have concluded that, as of August 31, 2018, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such terms are defined under Multilateral Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow for accurate disclosure to be made on a timely basis.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There have not been any changes in our internal control over financial reporting or any other factors during the year ended August 31, 2018, that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

Financial instrument risk exposure and risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company considers the fluctuations of financial markets and seeks to minimize potential adverse effects on financial performance.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes cash and receivables. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy. In regards to the receivables, the Company is not exposed to significant credit risk as they are from governmental agencies.

Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution. The Company's concentration of credit risk and maximum exposure thereto is considered minimal.

The maximum exposure to credit risk is equal to the fair value or carrying value of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company normally maintains sufficient cash to meet the Company's business requirements.

Liabilities at August 31, 2018, together with their expected payment were as follows:

	0 to 3 months	3 to 6 months	6 to 12 months	> 12 months	Total
Accounts payable and accrued liabilities	$ 41,199	$ 20,000	$ -	$ -	$ 61,199

Liabilities at August 31, 2017, together with their expected payment were as follows:

	0 to 3 months	3 to 6 months	6 to 12 months	> 12 months	Total
Accounts payable and accrued liabilities	$ 94,257	$ 20,000	$ -	$ -	$ 114,257

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity price risk.

i. Interest rate risk

The Company has cash balances which earn interest subject to fluctuations in the prime rate. The Company's current policy is to invest excess cash in investment-grade demand deposit certificates issued by its banking institutions. Management believes that interest rate risk is remote. A 1% change in the interest rate would have no significant impact on interest income reported at August 31, 2018.

ii. Foreign currency risk

The Company is not exposed to foreign currency risk as all monetary assets and liabilities are denominated in Canadian currency.

iii. Commodity price risk

Commodity price risk is the risk that the fair or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company actively monitors commodity price changes and stock market prices to determine the appropriate course of action to be taken by the Company.

SHARE DATA

As of the date of this report the number of common shares outstanding was 63,354,373.

Share purchase options outstanding as of the date of this report are as follows:

	Number of Options	Exercise Price	Expiry Date	Weighted Average Contractual Life Remaining
Granted February 14, 2014	375,000	$ 0.30	February 14, 2019	0.46 years
Granted November 28, 2014	100,000	$ 0.22	November 28, 2019	1.24 years
Granted June 29, 2016	300,000	$ 0.20	June 29, 2021	2.83 years
Granted December 18, 2017	400,000	$ 0.10	December 18,2022	4.30 years
Balance, August 31, 2018	1,175,000			2.44 years

Share purchase warrants outstanding as of the date of this report are as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted Average Contractual Life Remaining
9,130,000	$ 0.15	March 19, 2020	1.55 years
7,200,000	$ 0.15	December 21, 2020	0.31 years
224,000	$ 0.10	December 21, 2018	0.31 years
2,800,000	$ 0.15	February 3, 2021	0.43 years
204,000	$ 0.10	February 3, 2019	0.43 years
19,558,000			