

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2018

Dated: September 27, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of Barolo Ventures Corp. (formerly North American Potash Developments Inc.) for the year ended May 31, 2018 is prepared as at September 27, 2018. Throughout this MD&A, unless otherwise specified, "Barolo", "Company", "we", "us" and "our" refer to Barolo Ventures Corp. and its subsidiaries. This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the year ended May 31, 2018 and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB"). Other information contained in these documents has also been prepared by management and is consistent with the data contained in the Financial Statements. All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are responsible to ensure that this MD&A does not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the periods covered. The consolidated financial statements together with the other financial information included in this MD&A fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date hereof and for the periods presented herein. The Board of Directors' approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of Management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These forward-looking statements include but are not limited to statements concerning:

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2018

- The Company's strategies and objectives
- General business and economic conditions
- Foreign political policies and objectives
- The Company's ability to successfully negotiate mining licenses
- The Company's success at completing future financings
- The continued financial support of its debtors and shareholders

Readers are cautioned that the preceding list of risks, uncertainties, assumptions and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in or implied by these forward-looking statements. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of the Company should not place undue reliance on these forward-looking statements. The forward-looking statements contained in this document are made as of the date hereof. Accordingly, readers should not place undue reliance on forward-looking statements.

CORPORATE OVERVIEW

Barolo was incorporated on June 13, 2006 and is an exploration stage public company whose shares trade on the TSX Venture Exchange ("TSX-V") under the symbol "BV.H". The Company's stock had been cease-traded since October 4, 2016 for failure to file certain financial statements. The Company has brought its financial reporting obligations up-to-date, and on August 3, 2018 the British Columbia Securities Commission issued a full revocation of the cease trade order. The Company was previously engaged in the acquisition, exploration and development of mineral properties in Canada and the United States, but currently does not have an active business, and is investigating new business opportunities. The registered and records office of the Company is 2200 - 885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3E8 and the principle place of business is 1600 - 609 Granville Street, Vancouver, British Columbia, Canada V7Y 1C3.

On September 20, 2018, the Company changed its name from North American Potash Developments Inc. to Barolo Ventures Corp. and consolidated its common shares on a 1.75 old for 1 new basis (all share and per share amounts in the consolidated financial statements and this MD&A reflect the share consolidation).

The Company started operation in June 2006 and its first project was on the Hornby Basin Property located in Northwest Territories with a view for uranium exploration. In March 2008, the Company acquired a 90% equity interest in BUA USA LLC ("BUA") and through this subsidiary extended its exploration plans to include potential potash mineral deposits. During the year ended May 31, 2010, Potash Green and Potash Green Utah were formed and the permits and leases held by BUA, including those transferred in by the Manager and US Potash, were transferred to Potash Green and Potash Green Utah, respectively. Presently, the Company has three subsidiaries in the United States, namely 100% owned BUA, 70% owned Potash Green and 70% owned Potash Green Utah, all of which are inactive.

**BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2018**

MINERAL PROPERTIES

Hornby Basin Property - Northwest Territories, Canada

Pursuant to an option agreement dated July 1, 2006 and an amended agreement dated June 30, 2007, the Company acquired an undivided 100% right, title and interest in four mineral claims consisting of 10,330 acres located in the Great Bear Lake area of the Northwest Territories known as the Hornby Basin Property ("HB Claims"). The HB Claims are subject to a 2% Net Smelter Return royalty which the Company can buy down to 1% at a cost of \$1 million.

As at May 31, 2011, the Company had spent the required expenditure up to October 2014 and continued to evaluate the timing of further exploration work on the HB claims. The Company has not conducted any work on the property in the past four years and during the year ended May 31, 2012, the property was written down to a nominal value of \$1. The Company presently has no plans to continue exploration for the foreseeable future.

SELECTED ANNUAL INFORMATION

	For the year ended May 31, 2018	For the year ended May 31, 2017	For the year ended May 31, 2016
Revenue	\$-	\$-	\$-
Loss for the period	\$(69,451)	\$(36,989)	\$(215,111)
Basic/diluted loss per share ¹	\$(0.03)	\$(0.02)	\$(0.06)
Total assets	\$6,834	\$10,636	\$21,222
Current liabilities	\$392,815	\$327,166	\$300,763
Long-term liabilities	\$-	\$-	\$-

¹On September 20, 2018, the Company consolidated its share capital on a 1.75 old shares for one new share basis. All share and per share values in the consolidated financial statements and this MD&A have been adjusted to reflect this consolidation.

Since the end of the 2015 fiscal year, the Company has had no revenue and has incurred sustaining overhead expenses as it continues to investigate new business opportunities. The main expenditures for the 2016, 2017 and 2018 fiscal years were for administrative and legal costs.

**BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2018**

SUMMARY OF QUARTERLY RESULTS

	4th Quarter Ended May 31, 2018	3rd Quarter Ended February 28, 2018	2nd Quarter Ended November 30, 2017	1st Quarter Ended August 31, 2017
(a) Revenue	\$-	\$-	\$-	\$-
(b) Loss for the period	(\$53,392)	(\$14,057)	(\$1,468)	(\$534)
(c) Basic/diluted loss per share ¹	(\$0.03)	(\$0.01)	(\$0.00)	(\$0.00)
	4th Quarter Ended May 31, 2017	3rd Quarter Ended February 28, 2017	2nd Quarter Ended November 30, 2016	1st Quarter Ended August 31, 2016
(a) Revenue	\$-	\$-	\$-	\$-
(b) Income (loss) for the period	\$124,089	(\$55,543)	(\$50,099)	(\$55,436)
(c) Basic/diluted income (loss) per share ¹	\$0.06	(\$0.03)	(\$0.02)	(\$0.03)

¹On September 20, 2018, the Company consolidated its share capital on a 1.75 old shares for one new share basis. All share and per share values in the consolidated financial statements and this MD&A have been adjusted to reflect this consolidation.

RESULTS OF OPERATIONS FOR THE THREE AND TWELVE MONTHS ENDED MAY 31, 2018

The following is an analysis of the Company's operating results for the three and twelve months ended May 31, 2018 and includes a comparison against the three and twelve months ended May 31, 2017.

Comprehensive loss for the three and twelve months ended May 31, 2018 amounted to (\$53,392) and (\$69,451) or (\$0.03) and (\$0.03) per share (basic and diluted), respectively (2017 – \$124,089 income and (\$36,989) loss or \$0.06 income and (\$0.02) loss per share (basic and diluted), respectively) based on a weighted average number of shares outstanding of 2,004,287 common shares (2017 – 2,004,287 common shares). The Company's income during the three months ended May 31, 2017 was mostly attributed to the \$111,762 recovery from accounts payable that were eliminated through debt forgiveness.

Audit and accounting expenses for the three and twelve months ended May 31, 2018 were \$16,875 and \$42,015 compared to (\$21,970) and \$45,500, respectively for the same periods in the previous year. The fees for the 2018 period relate to accounting services utilized to bring the Company's financial reporting obligations up to date and an audit accrual for the 2018 audit. The previous period's expense recovery was the result of the reversal of an accrual set up in earlier periods during 2017.

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2018

Bank charges for the three and twelve months ended May 31, 2018 were \$69 and \$123, respectively compared to \$38 and \$142 for the same periods in the previous year. These charges were incurred for the maintenance of the Company's bank accounts.

Consulting fees for the three and twelve months ended May 31, 2018 were \$nil compared to \$5,000 and \$72,500, respectively for the same periods in the previous year. The charges incurred in the previous year were part of the Company's ongoing efforts to investigate new business opportunities. The fees were paid to a company controlled by the Company's former CEO, Simon Tam.

Legal fees for the three and twelve months ended May 31, 2018 were \$25,329 compared to \$316 for the same periods in the previous year. The Company incurred legal services in the current quarter as part of its efforts to bring its reporting up to date, communicate with the previous Board of Directors, complete the name change, consolidate the Company's existing common shares and close a non-brokered private placement. In the previous period the Company incurred minor legal costs with relation to maintaining its status as a public company.

Rent expense for the three and twelve months ended May 31, 2018 was \$nil compared to \$1,500 and \$15,000, respectively for the same periods in the previous year. The rent in the previous period was paid to a company controlled by the Company's former CEO, Simon Tam.

Transfer agent and filing fees for the three and twelve months ended May 31, 2018 were \$4,750 and \$5,130, respectively compared to \$562 and \$12,765, respectively for the same periods in the previous year. The expenditure was lower in the current period as compared to 2017 as the Company's stock had been cease-traded since October 2016, and thus had not required the services of a transfer agent.

Foreign exchange gains (losses) for the three and twelve months ended May 31, 2018 were (\$2,399) and \$3,146, respectively compared to (\$2,521) and (\$2,528), respectively for the same periods in the previous year. This figure will fluctuate with any change in the exchange rate of the US dollar.

SHARE CAPITAL

Authorized:

Unlimited common shares without par value

Issued and outstanding:

No common shares were issued during the years ended May 31, 2018 or 2017.

On September 20, 2018, the Company consolidated its common shares on a 1.75 old for 1 new basis (all share and per share amounts in the consolidated financial statements and this MD&A reflect the share consolidation).

**BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2018**

Stock Options:

The Company has established a stock option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants to a maximum of 10% of the Company's issued and outstanding common shares. These options may be granted for a maximum term of ten years from the date of grant and vest as determined by the board of directors.

	Number of Options	Weighted Average Exercise Price
		\$
Balance, outstanding and exercisable May 31, 2016	22,857	4.38
Expired / Cancelled	(22,857)	4.38
Balance, outstanding and exercisable May 31, 2017 and May 31, 2018	-	-

As at May 31, 2018, there were no (2017 – nil) stock options outstanding and exercisable. There were no stock options granted during the years ended May 31, 2018 and 2017.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a net working capital deficiency of \$385,982 at May 31, 2018 as compared to a net working capital deficiency of \$316,531 as at May 31, 2017. At May 31, 2018, the Company had cash in the amount of \$117 as compared to \$5,375 at May 31, 2017.

To date, the Company has financed its activities by selling its common shares through private placements, advances from shareholders, and option payments received on property it has optioned to a third party.

On August 22, 2018, the Company closed a non-brokered private placement for proceeds of \$600,000 through the issuance of 12,000,000 subscription receipts (the "Subscription Receipts") of the Company at a price of \$0.05 per Subscription Receipt (the "Offering"). The proceeds of the Offering are being held in escrow, pending shareholder approval to the change of control that will result from the Offering, and consolidation of the Company's issued and outstanding common shares on a 1.75:1 basis (consolidation was completed on September 20, 2018). Upon shareholder approval to the change of control, each Subscription Receipt will automatically convert into one unit of the Company (each, a "Unit") for no additional consideration. Each Unit will consist of one post-consolidated common share and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional post-consolidated common share at a price of \$0.07 per share for a period of 12 months from the date the warrants are issued. All securities issued in the Offering have a hold period expiring December 23, 2018.

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2018

The Company has no operating revenues and finances its operations principally through equity financing. Although the Company has been successful in raising the above funds, there can be no assurance that equity funding will be accessible to the Company at the times and in the amounts required to fund the Company's activities. In these uncertain times, the Company carefully monitors its expenditure and cash flows. The Company anticipates that it will continue to rely on the equity market to raise additional funds when needed. Debt financing has not been used to fund property acquisitions and exploration and the Company has no current plans to use debt financing.

The Company currently has no established credit lines with chartered banks or other financial institutions.

As at the date of this MD&A, there were no capital lease obligations or purchase obligations.

A summary of the Company's cash flows during the twelve months ended May 31, 2018 and 2017 is as follows:

	2018	2017
Cash flows used in operating activities	\$ (5,258)	\$ (12,886)
Cash flows provided by investing activities	-	-
Cash flows used in financing activity	-	-
Change in cash for the year	(5,258)	(12,886)
Cash, beginning of the year	5,375	18,261
Cash, end of the year	\$ 117	\$ 5,375

RISKS AND UNCERTAINTIES

The Company is subject to a number of risks and uncertainties. The following discussion summarizes certain risk factors that apply to the Company's business. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently considers immaterial, may also materially adversely affect the business, financial condition and results of operations, or the trading price of the Company's common shares if any such risks actually occur.

An investment in the Company's common shares should be considered highly speculative due to the nature of the Company's existing business and operations.

The Company requires financing in order to maintain and continue its operations.

The Company's ability to continue will largely be reliant on its continued attractiveness to equity investors and its ability to obtain additional financing to maintain and grow operations. Failure to obtain sufficient financing may result in delaying, scaling back, elimination of, or indefinite postponement of, the development schedule and its current or future programs. Additionally, should the Company require additional capital to continue, failure to raise such capital could result in the Company going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company.

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2018

From time to time, the Company may issue new shares, seek debt financing, dispose of assets, or enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase the Company's debt levels above industry standards.

The Company depends on the business and technical expertise of its management team.

The Company is dependent on the business and technical expertise of its management team. If it is unable to rely on this business and technical expertise, or if any of the expertise is inadequately performed, the business, financial condition and results of operations of the Company could be materially adversely affected until such time as the expertise could be replaced.

The Company's share price is expected to be volatile.

Securities of micro- and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the companies involved. These factors include macroeconomic development globally and market perceptions of the attractiveness of particular industries and location of the assets. The Company's share price is expected to be volatile and will be affected by the Company's financial conditions or results of operations as reflected in its liquidity position and earnings reports.

Other factors unrelated to the Company's operations and performance that may have an effect on the price of the Company's shares include: the lessening in trading volume and general market interest in the Company's securities may affect an investor's ability to trade significant numbers of shares; the size of the Company's public float may limit the ability of some institutions to invest in the Company's securities; and a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Company's securities to be delisted further reducing market liquidity.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the Company's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The Company is subject to risks presented by fluctuations in exchange rates.

The Company publishes its financial statements in Canadian dollars. Substantially all of its expenses are denominated in Canadian dollars and the US Dollar. Any significant fluctuation in the exchange rates between the Canadian dollar, and the US Dollar may have an adverse impact on its results of operations and may adversely affect the value of its revenue and net income.

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2018

FINANCIAL INSTRUMENTS

Fair Value

The Company's financial instruments include cash, receivables, and accounts payable and accrued liabilities.

Cash and receivables are classified as amortized cost. Accounts payable and accrued liabilities are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest rate risk and commodity price risk. The Board approves and monitors the risk management processes.

Financial Risks Factors

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

I. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet its obligations. The Company's approach to managing liquidity risk is to ensure that it will have sufficient funds to meet liabilities when due. As at May 31, 2018, the Company had a cash balance of \$117 (May 31, 2017 - \$5,375) to settle liabilities of \$392,815 (May 31, 2017 - \$327,166). Accordingly, as at May 31, 2018 the Company is unable to meet its current obligations and had significant liquidity risk. However, subsequent to the fiscal year-end the Company closed a non-brokered private placement for proceeds of \$600,000 through the issuance of 12,000,000 subscription receipts. With the proceeds from this private placement, management believes that the Company will have sufficient liquidity to meet its operational requirements for the next fiscal year, mitigating the Company's liquidity risk for the near term. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms.

II. Credit risk

Credit risk is the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company is exposed to credit risk with respect to its cash position and receivables. The Company's cash is held in a major Canadian financial institution which is considered to have high creditability. The Company's

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2018

receivable is from a government agency thus the collection is considered assured. The Company believes it has no significant credit risk.

III. 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, currency risk, and other price risk, which are discussed further below:

a) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in short-term deposit certificates issued by its banking institution. Due to the short-term nature of these financial instruments, fluctuations in interest rates do not have a significant impact on their fair values as at May 31, 2018 and 2017.

b) Currency risk

The Company believes it is not subject to significant currency risk.

c) Price risk

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

RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Compensation to key management personnel and companies controlled by them during the years ended May 31, 2018 and 2017 were as follows:

**BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MAY 31, 2018**

Type of Service	For the years ended May 31	
	2018	2017
	\$	\$
Accounting – to companies controlled by former officers (CEO, Simon Tam and CFO, Simon Ma) of the Company	-	35,500
Consulting – to a company controlled by the former CEO of the Company	-	72,500
Rent – to a company controlled by the former CEO of the Company	-	15,000
	-	123,000

At May 31, 2018, accrued liabilities include \$nil (May 31, 2017 - \$179,700) of unpaid key management personnel compensation. Amounts due from/to related parties are non-interest bearing, unsecured and have no specific terms of repayment.

RECENT ACCOUNTING PRONOUNCEMENTS

The following standards have not been adopted in the preparation of the consolidated financial statements. The Company has evaluated the impact the implementation of these standards will have on future consolidated financial statements and have determined the impact to be negligible.

IFRS 9, *Financial Instruments* (new; to replace IAS 39)

IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value, replacing the multiple rules in IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial asset. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9 and, therefore, the accounting policy with respect to financial liabilities is unchanged.

The following is the new accounting policy for financial assets under IFRS 9:

Financial assets

Financial assets will be classified in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL; for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI.

The Company’s current accounting policy for each of the categories is as follows:

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED MAY 31, 2018

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are included in the statement of (loss) income in the period.

Financial assets at FVTOCI: Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive (loss) income in which they arise.

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost: The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

The following table shows the classification of the Company's financial assets when IFRS 9 is implemented:

Financial asset	IFRS 9 Classification
Cash	Amortized cost
GST receivable	Amortized cost
Trade payables	Amortized cost
Accrued liabilities	Amortized cost

As the accounting reflected by the adoption of IFRS 9 under the above classifications and election is similar to that of IAS 39, there will be no impact on the Company's financial statements and no restating of prior periods will be required.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative and relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers.

The adoption of IFRS 15 will have no impact on the Company's financial statements.

BAROLO VENTURES CORP. (formerly North American Potash Developments Inc.) MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED MAY 31, 2018

New Standards Not Yet Adopted

IFRS 16, Leases

The new standard requires the recognition of almost all lease contracts on a lessee's statement of financial position as a lease liability reflecting future lease payments and a "right-of-use" asset with exceptions for certain short-term leases and leases of low-value assets. The new standard is likely to result in increases to both the asset and liability positions of lessees as well as reported depreciation expense and finance costs of these entities in the statement of profit or loss. The Company is currently evaluating the financial impact the new standard will have on its financial results.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted.

The Company has initially assessed that there will be no material reporting changes as a result of adopting the above new standards; however, enhanced disclosure requirements are expected.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into off-balance sheet arrangements. The Company does not have any outstanding derivative financial instruments, forward contracts, foreign exchange contracts or off-balance sheet guarantees.

CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements in conformity with International Financial Reporting Standards ("IFRS") requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected. Uncertainty about these estimates, assumptions and judgments could result in outcomes that could require a material adjustment to the carrying amount of assets or liabilities in future years. Information about critical accounting estimates, assumptions and judgments are detailed in Note 2 (d) of the consolidated financial statements.

ADDITIONAL INFORMATION

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