This management discussion and analysis ("MD&A") has been prepared based on information available to Mammoth Resources Corp. ("Mammoth" or the "Company") as at May 31, 2018. The MD&A of the operating results and financial condition of the Company for the year ended January 31, 2018, should be read in conjunction with the Company's consolidated financial statements (the "Financial Statements") and the related notes for the year ended January 31, 2018, prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars unless otherwise noted. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements. Additional information relating to the Company can be found on SEDAR at www.sedar.com or on the Company's website at www.mammothresources.ca.

Business Overview and Overall Performance

Business overview
The Company was incorporated under the provisions of the *Business Corporations* Act (British Columbia) on January 7, 2011. The head office of the Company is located at 410-150 York Street, Toronto, Ontario, Canada, M5H 3S5. The registered and records office of the Company is located at Suite 2600, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia, Canada V6E 3X1. The Company's common shares trade on the TSX Venture Exchange under the symbol MTH.

The Company is a mineral exploration company focused on acquiring and defining precious metal resources in Mexico and other attractive mining friendly jurisdictions in the Americas. The Company has an option to acquire 100%, of which it has earned 66 2/3%, of the Tenoriba Property located in the Sierra Madre Precious Metal Belt in southwestern Chihuahua State, Mexico. The Company continues to seek other option agreements in the Americas on other properties it deems to host above average potential for economic concentrations of precious metals mineralization.

The Financial Statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities, other than in the normal course of business, and at amounts that may differ from those shown in the Financial Statements.

For the year ended January 31, 2018, the Company incurred a net loss of $394,772 (2017 - $130,468), used cash from operations of $117,298 (2017 – $110,424), and as at January 31, 2018, had an accumulated deficit of $2,518,683 (2017 - $2,709,948) and a working capital deficit of $281,737 (2017-$516,238). The current liabilities consist of accounts payable and accrued liabilities, due to related parties, interest payable and loan from an officer in the total amount of $592,969. On June 21, 2017, approximately $188,122 of amounts owing to officers were settled with the issuance of 1,865,412 common shares of the Company. On December 14, 2017, the Company closed a private placement for gross proceeds of $720,000 to fund its current exploration program and short-term operating expenses. However, the Company does not have sufficient cash to fund its long-term operations. Therefore, the ability to continue as a going concern in the near-term relies solely on the willingness of the directors, officers, shareholders and/or creditors to meet funding requirements, in the absence of the completion of a further financing or a strategic transaction.

In addition, the business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations; or the ability of the Company to raise financing; or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. These circumstances comprise a material uncertainty which may lend significant doubt as to the ability of the Company to continue as a going concern. Changes in future conditions could require material write-downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Highlights for the year ended January 31, 2018

- On March 30, 2017, the Company completed a non-brokered private placement of 2,825,000 units at $0.08 per unit for gross proceeds of $226,000. Each unit is comprised of one common share and one share purchase warrant, with each warrant entitling the holder to purchase one common share of the Company at an exercise price of $0.12 until September 20, 2018.

- On June 21, 2017, the Company settled an aggregate amount of debt to related parties in the amount of $188,122 by issuing 1,865,412 common shares of the Company, at a price of $0.08 and a value of $149,233, resulting in a gain on settlement of amounts due to related parties totalling $38,889.

- On September 21, 2017, the Company announced final results from its earlier announced surface exploration program, which was included mechanical trenching and channel sampling, construction of access to facilitate drilling in addition to some in-fill mapping and sampling on the recently announced PIMA geochemical sampling program.

- On November 22, 2017, Mammoth announced mobilization of diamond drill equipment to the Tenoriba project.

- On December 14, 2017, the Company completed a non-brokered a private placement of 8,000,000 units at $0.09 per unit for gross proceeds of $720,000, with each unit consisting of a common share and a warrant exercisable at $0.13 until June 14, 2019. Mammoth also announced commencement of diamond drilling at its Tenoriba project consisting of up to 3,000 metres in as many as 24 drill holes with the goal to test gold-silver mineralization below areas of surface mineralization.

- In December 2017, the Company commenced a diamond drill program on its Tenoriba Property consisting of up to 3,000 metres in as many as 24 drill holes with the goal to test gold-silver mineralization below areas of surface mineralization.

- From January 22, 2018 through April 26, 2018, including announcements on March 1 and April 12, 2018, Mammoth reported results from the diamond drill program at Tenoriba. Results are summarized in the Tenoriba Project Activities Section of the MD&A with some of the highest grade intersections including:

    - **5.9 metres** (m) grading **3.51 grams per tonne** (g/t) gold equivalent (gold Eq), in hole **TEN 17-01**;
    - **7.2 m** grading **4.34 g/t gold Eq**, including **3.59% copper**, in hole **TEN 17-03** and;
    - **5.5 m** grading **4.99 g/t gold Eq** in hole **TEN 17-05**.
    - The **longest potentially economical intersection** included: **126.8 m** grading **0.52 g/t gold Eq** in hole **TEN 17-06**, including **58.2 m** grading **0.8 g/t gold Eq**.

Highlights for the year ended January 31, 2017

- On July 14, 2016, the Company completed a private placement by issuing 1,500,000 common shares for gross proceeds of $60,000.
- On September 9, 2016, the Company completed a private placement by issuing 2,531,250 common shares for gross proceeds of $202,500.
- On October 18, 2016, the Company announced commencement of exploration activities at Tenoriba to include systematic PIMA sampling, mapping and analysis.
- On October 24, 2016, the Company announced amendments to its option agreement on Tenoriba whereby future option payments were reduced by US$41,662 and US$845,837 of those remaining due from June 30, 2016 through December 31, 2017 were postponed to December 31, 2016 through December 31, 2019.
- On November 29, 2016, the Company announced a four year extension to its drill permit at the Tenoriba property.
- On January 18, 2017, the Company consolidated its share capital on the basis of four old common shares for one new common share. Outstanding stock options and warrants were adjusted by the consolidation ratio. All common shares and per common share amounts in this MD&A and the Financial Statements have been retroactively restated to reflect the share consolidation.
- On January 26, 2017, the Company announced results from its systematic PIMA program and intentions to perform a follow-up infill program, road construction and trenching program.

Tenoriba Project, Mexico
On July 3, 2012, the Company signed a definitive agreement to option the Tenoriba gold and silver project located in southwestern Chihuahua State, Mexico (the "Agreement"). Tenoriba is comprised of three concessions, Mapy 1, Mapy 2 (collectively the "Mapy Concessions") and Fernanda, covering a land package of approximately 8,100 hectares.

The terms of the original Agreement permit the Company to acquire 100% of the Tenoriba property. The Agreement also allows for a 2% Net Smelter Return royalty payable to the vendors upon commercial production. The royalty can be purchased by the Company at any time within three months from commencement of commercial production for US$1,500,000.

On March 12, 2015, the Agreement was amended (the "Amended Agreement") to provide for the following payments:

'Fernanda' Concession Option Details
Pursuant to the Agreement, the Company has issued 50,000 common shares and made cash payments of US$35,000 as follows:

1. 12,500 common shares and USD$5,000 on or before December 30, 2012 (issued and paid);
2. 12,500 common shares and USD$5,000 on or before June 30, 2013 (issued and paid);
3. 12,500 common shares and USD$12,500 on or before December 30, 2013 (issued and paid); and
4. 12,500 common shares and USD$12,500 on or before June 30, 2014 (issued and paid).

(Expressed in Canadian Dollars)

Pursuant to the Amended Agreement, the Company issued 91,394 common shares and was to make cash payments of US$62,500 as follows:

1. 35,144 common shares on or before December 30, 2015 (issued);
2. 12,500 common shares (issued) and US$12,500 on or before June 30, 2016;
3. 12,500 common shares (issued) and US$12,500 on or before December 30, 2016;
4. 15,625 common shares (issued) and US$18,750 on or before June 30, 2017; and
5. 15,625 common shares (issued) and US$18,750 on or before December 30, 2017.

Pursuant to the Second Amended Agreement, which supersedes the cash payments outlined in the Amended Agreement, the Company will make cash payments of US$64,000 and if the aggregate market value of the Company's common shares exceeds $5 million over a 30 day period or a change of control in the Company occurred, the payments will be accelerated as follows:

Date of payment	Amount US$	Accelerated amount US$
December 30, 2016 (paid)	5,500	11,000
June 30, 2017 (paid)	5,500	11,000
December 30, 2017	10,000	20,000
June 30, 2018	10,000	22,000
December 31, 2018	10,000	-
June 30, 2019	10,000	-
December 31, 2019	13,000	-
	64,000	64,000

The Company will earn a 100% interest in the Fernanda concession upon the completion of the obligations above.

<u>'Mapy' Concessions Option Details</u>
Pursuant to the Agreement, the Company issued 37,500 common shares as follows:

1. 18,750 common shares on or before December 30, 2013 (issued); and
2. 18,750 common shares on or before June 30, 2014 (issued).

Pursuant to the Amended Agreement, the Company would issue 116,394 common shares and make cash payments of US$62,500 as follows:

1. 35,144 common shares on or before December 30, 2015 (issued);
2. 18,750 common shares (issued) and USD$12,500 on or before June 30, 2016;
3. 18,750 common shares (issued) and USD$12,500 on or before December 30, 2016;
4. 21,875 common shares (issued) and USD$18,750 on or before June 30, 2017; and
5. 21,875 common shares (9,285 shares issued) and USD$18,750 on or before December 30, 2017.

Pursuant to the Second Amended Agreement, which supersedes the cash payments outlined in the Amended Agreement, the Company will make cash payments of US$20,838 and if the aggregate market value of the Company's common shares exceeds $5 million over a 30 day period or a change of control in the Company occurred, the payments will be accelerated as follows:

(Expressed in Canadian Dollars)

Date of payment	Amount US$	Accelerated amount US$
December 31, 2016 (paid)	2,000	4,838
June 30, 2017 (paid)	2,000	4,000
December 30, 2017	3,838	6,000
June 30, 2018	3,000	6,000
December 31, 2018	3,000	-
June 30, 2019	3,000	-
December 31, 2019	4,000	-
	20,838	20,838

In addition, the Company issued 175,090 common shares to the vendors as part of the Second Amended Agreement, which earned the Company a 66 2/3% interest in the Mapy Concessions, which is subject to the transfer of title. The balance of the interest (33 1/3%) will be earned upon completion of the obligations above.

<u>Project activities</u>
Mammoth acquired under an option agreement on July 3, 2012 the Tenoriba project in southwestern Chihuahua State, Mexico. From October 18, 2012 to as recent as April 26, 2018, the Company has continued to report results from surface exploration activities at Tenoriba, including; mapping and chip channel sampling, geochemical and geophysical studies and preliminary metallurgical testing. On February 20, 2014, the Company posted on its web-site an in-house, non 43-101 compliant technical report (was written by the Company's qualified person, versus an independent qualified third party) summarizing all known historical work performed on the property and all work performed by Mammoth until the end of 2013. The report recommends drilling geophysical targets and continuing metallurgical testing of precious metal enriched cyanide leachable material on the property.

On February 20, 2014, the Company announced its highest to date sample assaying 73.4 g/t gold from its outcrop sampling program at Tenoriba together with numerous additional samples which assay greater than 1.0 g/t within a detailed mapping and sampling program located at the Los Carneritos target area.

On April 9, 2014, the Company announced that it posted on its web-site the complete geophysics report, including various surface plans and geophysical survey cross sections from the Induced Polarization and Magnetic ground geophysics survey covering approximately one third of the large 15 square kilometre target area of gold-silver mineralization at Tenoriba. Mammoth also reported that the coincidence of geophysical targets below surface area with good assay results coupled with recommendations for drilling these targets in the report led the Company to advance the permitting process for drill testing these targets.

On April 16, 2014, the Company announced that it confirmed the position of 14 drill holes to test the depth extent of numerous geophysical features below attractive surface geology at Tenoriba.

On November 5, 2014, the Company announced that it has received a permit to drill the Tenoriba property. The permit allows the Company drill up to 20 drill holes under an "Informe Preventivo" or "Aviso de Inicio de Actividades de Proyectos de Exploracion Minera Directa" (NOM-120-ECOL-1997) and was submitted to the SEMARNAT (Secretariaria de Medio Ambiente y Recursos Naturales) office in Chihuahua, Mexico.

On October 18, 2016, the Company announced the recommencement of exploration activities at Tenoriba after a two-year hiatus due to the weak investment climate in the industry and the challenges to raising equity capital accretive for exploration, project activities including systematic PIMA sampling, mapping and analysis.

(Expressed in Canadian Dollars)

On October 24, 2016, the Company announced amendments to its option agreement on Tenoriba whereby future option payments were reduced by US$41,662 and that US$84,837 of the remaining payments that had been due from June 30, 2016 through December 31, 2017 had been postponed to December 31, 2016 through December 31, 2019.

On November 29, 2016, the Company announced a four-year extension to its drill permit at the Tenoriba property and on January 26, 2017, the Company announced results from its systematic PIMA program and intent to perform a follow-up infill program, road construction and trenching programs to commence in the first half of 2017.

On June 14, 2017, the Company announced initial results from its surface channel sampling program from channels El Moreno 1, and Carneritos 1 and 2 and on July 31, 2017, the Company announced the completion of this program with 14 channel sample lines having been completed and that the infill PIMA sampling program had been completed over the Cerro Colorado target area.

On August 8, 2017, the Company announced results from El Moreno channels 2, 3 and 4 and Masuparia channel 1. On August 22, 2017, the Company announced results from Masuparia channels 2 and 3 and Carneritos channels 4 and 5. On September 21, 2017, the Company announced results from the final channel sample at Cerro Colorado and provided the following table which summarized all surface trench results from this program.

Location	Sample Numbers	Channel Width (m)	True Width (m)	Weighted Average Gold Grade (g/t)	Weighted Average Silver Grade (g/t)	Weighted Average Gold Equivalent* Grade (g/t)
El Moreno 1	330732 to 330740	13.6	11.5	0.64	2.5	0.67
El Moreno 2	330789 to 330800	16.5	16.0	0.38	4.3	0.44
El Moreno 3	330656 to 330659	6.0	5.0	0.28	0.6	0.29
El Moreno 4	330685 to 330673	12.0	11.0	0.23	9.7	0.36
Carneritos 1	330743 to 330750 & 330754 to 330756	15.7	15.5	0.99	6.1	1.07
Carneritos 2	330757 to 330761	7.4	7.0	1.28	8.2	1.36
Carneritos 3	330762 to 330770	13.5	13.5	1.50	3.4	1.55
Carneritos 4	330695 to 330700 & 330801	10.0	10.0	0.42	7.2	0.51
Carneritos 5	330802 to 330811	11.9	11.9	0.05	0.01	0.08
Carneritos 6	330812 to 330816	6.2	6.2	0.88	4.4	0.94
Masuparia 1	330677 to 330685	13.1	13.1	0.66	0.9	0.67
Masuparia 2	330689 to 330694	6.4	6.4	0.47	10.0	0.61
Masuparia 3	330819 to 330826	12.0	9.7	0.11	1.0	0.12
Cerro Colorado	330827 to 330831	6.8	6.4	0.54	1.9	0.57

On October 25, 2017, Mammoth announced drill targets for it's upcoming diamond drill program to commence imminently and on November 22, 2017 the Company announced the mobilization of diamond drill equipment to Tenoriba. From January 22, 2018 through April 26, 2018, including announcements on

(Expressed in Canadian Dollars)

March 1 and April 12, 2018 Mammoth announced results from the diamond drill program. Results are summarized in the following table:

Location	**Hole Number**	**From**	**To**	**Total**	**Weighted Average Gold Grade**	**Weighted Average Silver Grade**	**Weighted Average Copper Grade**	**Weighted Average Gold Equivalent* Grade**
		(m)	(m)	(m)	(g/t)	(g/t)	(%)	(g/t)
El Moreno	**TEN 17-01**	169.0	209.0	**30.0**	0.77	2.0		**0.79**
	(including)	198.5	204.5	**5.9**	3.41	7.2		**3.51**
	TEN 17-02	180.5	260.5	**80.0**	0.17	0.3		**0.18**
	(including)	187.0	196.0	**9.0**	0.51	5.3		**0.52**
	(including)	180.5	196.0	**15.5**	0.35	8.6		**0.36**
	TEN 17-03	85.0	92.2	**7.2**	0.23	36.3	3.59	**4.34**
Masuparia	**TEN 17-04**	0.0	10.0	**10.0**	1.12	0.1		**1.13**
		45.1	90.5	**45.4**	0.53	0.1		**0.63**
	(including)	45.1	59.8	**14.7**	0.61	0.2		**0.86**
	(including)	72.5	90.5	**18.0**	0.78	0.1		**0.83**
	TEN 17-05	28.0	55.0	**27.0**	0.51	0.1		**0.63**
	(including)	46.6	55.0	**8.4**	1.30	0.1		**1.39**
		70.0	93.5	**23.5**	1.30	1.3		**1.32**
	(including)	83.5	93.5	**10.0**	2.89	3.2		**2.93**
	(including)	86.5	92.0	**5.5**	4.92	5.1		**4.99**
Carneritos	**TEN 17-06**	43.7	170.5	**126.8**	0.47	7.2		**0.52**
	(including)	70.7	129.0	**58.2**	0.73	3.9		**0.80**
	(including)	70.7	95.7	**25.0**	1.10	2.7		**1.21**
	(including)	95.7	111.0	**15.0**	0.51	0.4		**0.54**
	TEN 17-07	11.5	53.5	**42.0**	0.21	5.0		**0.28**
		65.5	78.0	**12.5**	0.33	2.4		**0.36**
	TEN 17-08	52.5	62.7	**14.9**	0.58	3.1		**0.62**

(Expressed in Canadian Dollars)

The Company has incurred the following acquisition and deferred exploration costs on the Tenoriba Project:

For the year ended January 31, 2018	**Tenoriba Project** $
Acquisition costs, January 31, 2017	104,753
Additions	11,024
Acquisition costs, January 31, 2018	115,777
Deferred exploration costs, January 31, 2017	1,202,191
Additions for the year ended January 31, 2018	
Drilling	325,330
Geological consulting	81,948
Professional fees	552
Property taxes	159,735
Travel and accommodation	40,885
	608,450
Deferred exploration costs, January 31, 2018	1,810,641
Total exploration and evaluation assets, January 31, 2018	1,926,418

Richard Simpson, P. Geo., Vice-President Exploration for Mammoth Resources Corp., is Mammoth's Qualified Person, according to National Instrument 43-101 and supervised the preparation of the technical information contained in this MD&A in compliance with NI 43-101.

Results of Operations

The following discussion and analysis of the Company's financial results of its operations should be read in conjunction with the Company's Financial Statements and related notes.

Year ended January 31, 2018
For the year ended January 31, 2018, the Company reported a loss and comprehensive loss of $394,772 (2017 - $130,468).

General and administrative expenses, which amounted to $131,666 during the year ended January 31, 2018 (2017 - $41,049) and are detailed below and consist of shareholder and investor relations and regulatory and filing fees. Professional fees were $25,030 during the year ended January 31, 2018 (2017 - $23,250) primarily being the accrued cost of the Company's annual audit and accounting fees. The Company also incurred share based compensation of $207,537 and had a gain on settlement of amounts due to related parties of $38,889.

Fourth Quarter
Net loss and comprehensive for the fourth quarter was $205,708 and included general and administrative of $78,294, management fees of $15,084 and share based compensation of $98,491. Items in general and administrative include shareholder and investor relations of $42,798 related to the promotion of the Company and the December 2017 financing.

(Expressed in Canadian Dollars)

General and administrative expenses	**Year ended January 31** **2018**	2017
	$	$
Shareholder and investor relations	**87,425**	9,904
Office costs	**7,837**	7,619
Communications	**-**	3,145
Regulatory and filing fees	**23,077**	8,141
Insurance	**5,814**	6,778
Travel	**7,513**	5,461
	131,666	41,049

Shareholder and investor relations consist of marketing costs related to the general promotion of the Company as well as costs related to the marketing of the financing completed in December 2017.

Selected annual information

Year ended January 31	**2018**	2017	2016
	$	$	$
Net loss for the year	**394,772**	130,468	51,581
Cash out flow used in operating activities	**117,298**	110,424	64,746
Total assets (1)	**2,316,616**	1,367,383	1,058,226
Loss per share (basic and diluted)	**0.02**	0.01	0.00

(1) As at January 31

Net loss for the year ended January 31, 2018 was affected by the increased activities of the Company, which included increased management compensation and shareholder and investor relations, offset by the gain on settlement of amounts due from related parties.

Summary of Quarterly Results

The following information is derived from the Company's unaudited quarterly financial statements for the preceding eight quarters.

	January 31 2018	**October 31 2017**	**July 31 2017**	**April 30 2017**
	$	$	$	$
Total assets	2,316,615	1,579,422	1,552,729	1,586,787
Shareholders' equity	1,673,647	1,076,601	1,118,806	971,953
Total revenues	Nil	Nil	Nil	Nil
Loss and comprehensive loss	(205,708)	(46,561)	(27,720)	(114,783)
Loss and comprehensive loss per share - basic	0.01	0.00	0.00	0.01

	January 31 2017	**October 31 2016**	**July 31 2016**	**April 30 2016**
	$	$	$	$
Total assets	1,367,383	1,250,095	1,076,847	1,055,486
Shareholders' equity	784,986	816,124	647,245	611,209
Total revenues	Nil	Nil	Nil	Nil
Loss and comprehensive loss	(66,253)	(26,983)	(28,086)	(9,146)
Loss and comprehensive loss per share - basic	0.00	0.00	0.00	0.00

(Expressed in Canadian Dollars)

Liquidity

The Company currently has no operating revenues and relies primarily on equity financing.

For the year ended January 31, 2018, the Company incurred a net loss of $394,772 (2017 - $130,468), used cash from operations of $117,298 (2017 – $110,424), and as at January 31, 2018, had an accumulated deficit of $2,518,683 (January 31, 2017 - $2,709,948) and a working capital deficit of $281,737 (January 31, 2017 - $516,238). The business of exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves and the achievement of profitable operations, which may rely upon the ability of the Company to raise alternative financing and/or the Company's ability to dispose of its interests on an advantageous basis. These circumstances comprise a material uncertainty which may lend significant doubt as to the ability of the Company to continue as a going concern. Changes in future conditions could require material write-downs of the carrying values.

Capital Resources

The Company's only source of funding has been the issuance of equity securities for cash. Management believes it is using best efforts to raise equity capital as required in the long term but recognize there will be risks involved that may be beyond its control. The Company has no outstanding debt facility upon which to draw.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The Company defines its key management as directors, Chief Executive Officer and Chief Financial Officer. For the year ended January 31, 2018, key management compensation was $294,934 (2017 - $11,000) including share-based payments of $181,141 (2017 - $nil).

The following table summarizes information on related party transactions:

	Year ended January 31	
	2018	2017
	$	$
Geological consulting fees recorded in exploration and evaluation assets	**59,750**	-
Management fees	**53,343**	11,000
Share-based compensation	**181,841**	-

As at January 31, 2018, amounts due to related parties were $61,915 (2017 - $159,479) in connection with various services provided to the Company, including professional, management and geological consulting fees.

As at January 31, 2018, loan payable to the CEO amounted to $118,368. The loan bears interest at 13%, is unsecured and due on demand. As at January 31, 2018, accrued interest on the loan amounted to $9,608.

(Expressed in Canadian Dollars)

On May 1, 2017, the Company entered into revised consulting agreements with the CEO, CFO and VP Exploration for the provision of consulting services subject to the financing proceeds as follows:

	CEO	CFO	VP Exploration
Financing with net proceeds:			
Between $0 to $500,000	$66,000	$20,000	$42,000
Between $500,000 to $1,000,000	$90,000	$30,000	$72,000
Greater than $1,000,000	$170,000	$50,000	$126,000

In addition to base fees noted above, the officers are eligible for a discretionary bonus up to $100% of base fees as recommended by the Compensation Committee and approval by the Board of Directors. The agreements are effective until April 30, 2019 and are subject to renewal upon approval by the Compensation Committee. The Company must provide six to twelve month's written notice for termination but reserves the right to waive such notice upon paying the fees which would have accrued during the six-month period. Should the Company be subject to a change of control and the agreements terminated, the agreements will terminate immediately, and the Company will be required to pay the base fees and discretionary bonus equal to 12 months, 24 months and 36 months for the CFO, VP Exploration and CEO, respectively, at the rates equivalent to financing with net proceeds of greater than $1,000,000.

Proposed Transactions

There are currently no proposed transactions.

Critical Accounting Estimates

The preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statement and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

1. whether or not an impairment has occurred in its exploration and evaluation assets.
2. inputs used in the valuation model to determine the fair value of stock options and broker warrants.

Critical Accounting Judgments

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

1. going concern of operations;
2. the accounting policy for exploration and evaluation assets;

(Expressed in Canadian Dollars)

3. determining the provisions for income taxes and the recognition of deferred income taxes; and
4. the determination of categories of financial assets and financial liabilities.

Accounting Policies and Recent Accounting Pronouncements
The Company's significant accounting policies are presented in Note 3 of the annual audited financial statements for the year ended January 31, 2018.

Outstanding Share Data

The following describes the outstanding share data of the Company as at May 31, 2018:

	Number Outstanding
Common shares	28,824,205
Options to purchase common shares	2,342,667
Warrants to purchase common shares	15,106,535
	46,273,407

Financial instrument risk management

a) Fair value of financial instruments

The carrying value of cash and trade and other payables approximates fair value due to the short-term nature of these financial instruments.

b) Risk management

Credit risk
The Company's credit risk is primarily attributable to its cash and government taxes recoverable. The risk exposure is limited to their carrying values at the statement of financial position date. Cash is held as cash deposits with counterparties that carry investment grade ratings as assessed by external rating agencies. The Company does not invest in asset-backed deposits or investments.

Interest rate risk
The Company is not exposed to significant interest rate risk since it has no interest-bearing debt except loan from related party, which bears a fixed rate of interest. Cash is held in accounts of financial institutions that do not bear significant interest.

Liquidity risk
The Company's objective is to ensure that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, against cash. As at January 31, 2018, the Company had cash of $265,554 in cash to settle current liabilities of $592,969, which include accounts payable and accrued liabilities of $403,078 and due to related parties of $61,915, a loan from an officer of $118,368 and interest payable of $9,608. As the Company does not have operating cash flow, the Company has and will continue to rely primarily on equity financing to meet its capital requirements.

Price risk
The Company is exposed to price risk with respect to commodity prices. 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 the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Currency risk
The Company operates in Canada and Mexico, and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency.

The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently have an impact upon the reporting results of the Company and may also affect the value of the Company's assets and liabilities.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by interest rate risk, currency risk and credit risk.

Risk Factors

The operations of the Company are speculative due to the high risk nature of its business which includes the acquisition, financing, exploration, development and operation of mining properties. The risk factors as disclosed below could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Going Concern
At January 31, 2018, the Company had a working capital deficit of $281,737, has not yet achieved profitable operations and has an accumulated deficit of $2,518,683 since its inception. The Company expects to incur further losses in the development of its business, all of which cast substantial doubt on the Company's ability to continue as a going concern. The Company will require additional financing in order to conduct its planned work programs on its exploration and evaluation assets, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future (see Business Overview).

Exploration and Development Risk
The Company's mineral property interest is in early exploration stages and is without a known body of commercial ore. Exploration for mineral resources involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. The risks and uncertainties inherent in exploration activities include but are not limited to: legal and political risk arising from operating in certain developing countries, general economic, market and business conditions, the regulatory process and actions, failure to obtain necessary permits, access and approvals, technical issues, new legislation, competitive and general economic factors and conditions, the uncertainties resulting from potential delays or changes in plans, the occurrence of unexpected events and management's capacity to execute and implement its future plans. Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade, metallurgy and proximity to infrastructure and labour), the interpretation of geological data obtained from drilling and sampling, feasibility studies, the cost of water and power; anticipated climatic conditions; cyclical metal prices; fluctuations in inflation and currency exchange rates; higher input commodity and

labour costs, commodity prices, government regulations, including regulations relating to prices, taxes, royalties, land tenure and use, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. Development projects will also be subject to the successful completion of final feasibility studies, issuance of necessary permits and other governmental approvals and receipt of adequate financing. The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business. The Company currently has only one mineral property interest and has not mitigated exploration risk by maintaining a diversified portfolio that includes several metal commodity targets in a number of geologic and political environments.

Market events and conditions have caused significant volatility to commodity prices. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. The Company is dependent on the equity markets as its main source of operating working capital and the Company's capital resources are largely determined by the strength of the resource markets and by the status of the Company's exploration and evaluation asset in relation to these markets, and its ability to compete for the investor support of its projects. Consequently, there can be no assurance that equity financing will be available to the Company in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

Estimation of Mineralization, Resources and Reserves
There is a degree of uncertainty attributable to the calculation of mineralization, resources and reserves and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and reserve grades must be considered estimates only. In addition, the quantity of reserves and mineralization may vary depending on commodity prices. Any material change in quantity of reserves, mineralization, grade or stripping ratio may affect the economic viability of a project. In addition, there can be no assurance that recoveries from laboratory tests will be duplicated in tests under on-site conditions or during production.

Infrastructure
Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges and power and water supply are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's activities and profitability.

Title Matters
The Company has investigated its right to explore and exploit its mineral property interest and, to the best of its knowledge, those rights are in good standing. The results of the Company's investigations should not be construed as a guarantee of title or compliance with the regulatory and legal framework respecting ownership and maintenance of mineral properties. Other parties may dispute the title to a property or the property may be subject to prior unregistered agreements or liens and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions. The Company has not conducted surveys of all of its properties, and the precise area and location of claims or the properties may be challenged, and no assurances can be given that there are no title defects affecting such properties. Any defects in the title to the Company's properties could have a material and adverse effect on the Company.

The Company is earning an interest in its mineral property interest through an option agreement and acquisition of title to the property is completed only when the option conditions have been met. These conditions include, but are not limited to, making property payments, incurring exploration expenditures on the property and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties. If the Company does not satisfactorily complete the option conditions in the time frame laid out in the option agreement, the Company's title to the related property will not vest and the Company will have to write down its previously capitalized costs related to the property.

Competition
There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential, as well as the necessary labour and supplies required to develop such properties. The Company competes with other exploration and mining companies, many of which have greater financial resources, operational experience and technical capabilities than the Company, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. The Company may not be able to maintain or acquire attractive mining properties on terms it considers acceptable, or at all. Consequently, its financial condition could be materially adversely affected.

Funding Requirements
The exploration and development of mineral properties requires a substantial amount of capital and may depend on the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. General market conditions, volatile metals prices, a claim against the Company, a significant disruption to the Company's business, or other factors may make it difficult to secure the necessary financing. There is no assurance that the Company will be successful in obtaining required financing as and when needed on acceptable terms. Failure to obtain any necessary additional financing may result in delaying or indefinite postponement of exploration or development or even a loss of the Company's option on exploration and evaluation asset or underlying mining property concessions. If the Company needs to raise additional funds, such financing may substantially dilute the interests of shareholders of and reduce the value of their investment.

Uninsured Risks
The mining business is subject to a number of risks and hazards including environmental hazards, industrial accidents, labour disputes, encountering unusual or unexpected geologic formations or other geological or grade problems, encountering unanticipated ground or water conditions, cave-ins, pit wall failures, flooding, rock bursts, periodic interruptions due to inclement or hazardous weather conditions and other acts of God. Such risks could result in damage to, or destruction of, mineral properties or facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

The Company maintains insurance against certain risks associated with its business in amounts that it believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. There can be no assurance that such insurance will continue to be available, will be available at economically acceptable premiums or will be adequate to cover any resulting claim.

History of Profitability
The Company has no history of profitability and has a accumulated deficit of $2,518,683 as at January 31, 2018. There can be no assurance that the Company's ongoing working capital requirements, corporate and administrative expenses, debt service, capital expenditure requirements and other contractual obligations can be met. There can be no assurance that the operations of the Company will be profitable in the future. The Company has limited financial resources and may require additional financing to further explore, develop, operate, acquire and retain its property interests and if financing is not available for any reason, the Company may become unable to acquire and retain its mineral concessions and carry out its business.

Dependence on Key Personnel
The Company's success will largely depend on the efforts and abilities of certain senior officers and key contractors. Certain of these individuals have significant experience in operating public companies and/or

the mining industry, in particular the mining industry in Mexico. While the Company does not foresee any reason why such officers and key contractors will not remain with the Company, if for any other reason they do not, the Company could be adversely affected.

Foreign Operations
The Company conducts exploration activities in Mexico which exposes the Company to risks that may not otherwise be experienced if all operations were located in Canada. The risks vary from country to country and can include, but are not limited to, civil unrest or war, terrorism, illegal mining, changing political conditions, fluctuations in currency exchange rates, expropriation or nationalization without adequate compensation, changes to royalty and tax regimes, high rates of inflation, labour unrest and difficulty in understanding and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's existing mineral property interest and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities.

Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. The risk exists that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's mineral property interest in Mexico will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

Corruption and Bribery
The Company is required to comply with anti-corruption and anti-bribery laws, including the Canadian Corruption of Foreign Public Officials Act and the U.S. Foreign Corrupt Practices Act, as well as similar laws in the countries in which the Company conducts its business. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company.

Internal Controls
Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Conflicts of Interest
Some of the directors of the Company are also directors of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Such associations may give rise to conflicts of interest from time to time. In particular, one of the consequences will be that corporate opportunities presented to a director of the Company may be offered to another corporation or companies with which the director is associated and may not be presented or made available to the Company. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, to disclose any interest which they may have in any project or opportunity of the Company, and to abstain from voting on such matter. Conflicts of interest that arise will be subject to and governed by the procedures prescribed by the Company's Code of Business Conduct and Ethics and the CBCA.

Environmental and Other Regulatory Requirements

The current or future operations of the Company, including development activities and, if warranted, commencement of production on properties in which it has an interest, require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health and safety, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its activities. However, there can be no assurance that all permits which the Company may require for the conduct of mineral exploration and development can be obtained or maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any such mineral exploration or development which the Company might undertake. Amendments to current laws, regulations and permits governing operations and activities of mineral exploration companies, or more stringent interpretation, implementation or enforcement thereof, could have a material adverse impact on the Company.

Mining and Investment Policies
Changes in mining or investment policies or shifts in political attitude may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and safety regulations. The effect of these factors cannot be accurately predicted.

Hedging and Foreign Exchange
While hedging of commodity prices and foreign exchange and interest rates is possible, there is no guarantee that appropriate hedging will be available at an acceptable cost should the Company choose or need to enter into these types of transactions.

The Company operates in Canada and Mexico and is therefore exposed to foreign exchange risk arising from transactions denominated in a foreign currency. The operating results and the financial position of the Company are reported in Canadian dollars. The fluctuations of the operating currencies in relation to the Canadian dollar will, consequently, have an impact upon the reporting results of the Company and may also affect the value of the Company's assets and liabilities. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks at this time.

Cautionary Note Regarding Forward-looking Information

This document contains or refers to forward-looking information. Such forward-looking information includes, among other things, statements regarding targets, estimates and/or assumptions in respect of future production, mine development costs, unit costs, capital costs, timing of commencement of operations and future economic, market and other conditions, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to: the grade and recovery of ore which is mined varying from estimates; capital and operating costs varying significantly from estimates; inflation; changes in exchange rates; fluctuations in commodity prices; delays in the development of the any project caused by unavailability of equipment, labour or supplies, climatic conditions or otherwise; termination or revision of any debt financing; failure to raise additional funds required to finance the completion of a project; and other factors. Forward-looking statements are subject to significant risks and uncertainties and other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.

Internal Controls and Disclosure Controls over Financial Reporting

On November 23, 2007, the British Columbia Securities Commission by which the Company is regulated, exempted Venture Issuers from certifying disclosure controls and procedures, as well as, Internal Controls over Financial Reporting as of December 31, 2007, and thereafter. Since the Company is a Venture Issuer, it is required to file basic certificates, which it has done for year ended January 31, 2018. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under National Instrument 52-109 as at January 31, 2018.