



*The following discussion and analysis of the financial position and results of operations for Altamira Gold Corp. (the “Company” or “ALTA”) should be read in conjunction with the condensed interim consolidated financial statements for the **three and six months ended August 31, 2018**, and the audited consolidated financial statements for the **year ended February 28, 2018**, which are prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”). All dollar amounts are in Canadian dollars unless otherwise specified.*

The effective date of this report is October 25, 2018.

The Company is subject to the specific risks inherent in the mineral exploration business as well as general economic and business conditions. For more information on the Company, readers should review the Company's disclosure that is available on the Company's website at www.altamiragold.com as well as at www.sedar.com.

DESCRIPTION OF BUSINESS

The Company was incorporated under the *Company Act* (British Columbia) in 1994, and is a reporting issuer in British Columbia and Alberta. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the symbol *ALTA*, and classified as a junior natural resource company.

The Company's primary business is to identify, explore and develop opportunities in the resource sector through acquisition or joint venture. The Company owns interests in various properties located in Brazil, British Columbia, and the Northwest Territories, as described below.

CORPORATE UPDATE

On August 17, 2018 the Company closed a non-brokered private placement of 6,060,000 units (“Units”) at a price of \$0.10 per Unit for gross proceeds of \$606,000. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.20 per share for a period of 60 months from closing.

On August 23, 2018, the Company closed a non-brokered private placement of 2,940,000 units (“Units”) at a price of \$0.10 per Unit for gross proceeds of \$294,000. Each Unit consists of one common share and one share purchase warrant (“Warrant”). Each Warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.20 per share for a period of 60 months from closing.

On October 1, 2018 the Company granted 100,000 stock options to a consultant of the Company. The stock options are exercisable for a term of three years at an exercise price of \$0.10 per common share under the terms of the Company's Stock Option Plan.

During October 2018 the Company sold its 100% interests in the Tom and Sickle claims located in the Northwest Territories of northern Canada to TerraX Minerals Inc (“TerraX”). Altamira has received a total of \$25,000 cash and 250,000 shares of TerraX, and will retain a 2% NSR royalty.

MINING PROPERTIES AND EXPLORATION UPDATE

With the acquisition of Alta Floresta Gold Ltd. (“AFG”) in April 2016, the Company acquired a 100% interest in six gold properties comprising over 186,000 ha of licence area, and four production licenses, in the prolific Juruena Gold Belt of central Brazil. The licence area was subsequently increased to 200,000 ha with the addition of the Santa Helena and Colider Leste licenses and the production licences reduced to two.

September 2017 saw a staking rush in the Juruena Belt as a result of a rumoured copper porphyry discovery near Altamira’s Santa Helena project. The Company staked additional ground at the Santa Helena and Fazenda Mogno projects, increasing its land position. In May 2018 the Company reported that it had further increased its land positions in the Santa Helena and Colider projects by an additional 51,553 ha, which after adjustment by the mining office brings its total land position to 244,000 ha. The Company re-evaluated its previous data with a view to identifying copper anomalies, and identified several prospects warranting follow up, leading to an announcement in February 2018 of a copper exploration program, in addition to its gold exploration activities.

Cajueiro (28,559 ha, Mato Grosso and Para States, Brazil):

The Cajueiro Project comprises a large land package located in the Alta Floresta - Juruena Gold Belt, a Proterozoic arc consisting of calc-alkaline granite-volcanic, and medium to high grade metamorphic crustal segments. Historic gold production in the belt is generally recognized to be in the range of 7-10MM oz., primarily from garimpeiro activity. At Cajueiro, microgranites and rhyolites host a set of Northeast (NE) and East-West (E-W) conjugate shear structures exhibiting late brittle deformation. These were the primary structural controllers of hydrothermal alteration and associated gold mineralisation.

Gold and pyrite in the bedrock sulphide domain is contained within hydrothermal alteration envelopes within and adjacent to the structures. An alteration assemblage of sericite-epidote-chlorite-quartz readily distinguishes the prospective “green” rhyolite and microgranite from their unaltered reddish counterparts.

Gold is also present in the saprolite overlying bedrock, in the oxidized equivalent of the sulphide alteration assemblage. Prospective saprolite hosts an assemblage of sericite-chlorite-silica, with disseminated limonite and “box-works” of limonite with rare occurrences of chalcopyrite. This alteration package is clearly visible on surface in many locations throughout the property.

On May 2, 2016, the Company announced that an updated NI 43-101 Technical Report regarding the resource for the Cajueiro project (Gustavson and Associates, March 24, 2016) had been filed with SEDAR and made available on the Company’s website.

Total resources within fresh rock(sulphide) were estimated at 8.64Mt at 0.77 g/t gold for 214,100oz in the Indicated category, and 9.53Mt at 0.66g/t gold for 203,500oz) in the Inferred category at a 0.25g/t cut-off.

Total resources within the saprolite or oxide zone were estimated at 1.37Mt at 1.61 g/t gold for 78,400oz.

Summary of exploration activity from the acquisition of AFG to February 28 2018:

Since April 2016 the Company has completed 25 trenches totaling 4,062.5m that has resulted the identification of two new previously unrecognized mineralized zones, one at Baldo East and the other at Toninho, comprising multiple parallel structures similar to known zones at Crente and Baldo. In addition, the Company has drilled 49 HQ diamond drill holes totaling 3,153.5m, the results of which will be incorporated into a re-refresh of the 43-101 Resources Report for Cajueiro. *(Please see the full News Releases for detailed results of these programs)*

The Baldo East target area is located approximately 500m due east of the Baldo resource and constituted an important previously untested gold-in-soil anomaly and a series of high grade rock samples from surface which range from 3.4 to 118.4 g/t gold.

During 2016 the Company performed metallurgical testing on a composite sample of gold mineralized saprolite from the Baldo trenching program. Results indicated low recoveries from gravity processing, and identified recoveries of up to 96.2% from Carbon In Leach (CIL) processing. The Company continues to assess the feasibility of a fast-track to a CIL process and near-term small-scale production.

A series of NNW trending trenches were completed at approximately 100m spacings and have identified a series of previously unrecognized WNW-trending mineralized structures

The 2017 trenching activity excavated at least two continuous high-grade mineralized structures in the Baldo East area – the northern most of these two structures is now referred to as Baldo East 1, whilst the zone immediately south of this is referred to as Baldo East 2.

Baldo East 1

Trenching at the Baldo East 1 zone extended the Baldo East 1 zone to the east, extending the total strike length to more than 900m

Baldo East 2

Work continued on the Baldo East 2 zone, where previous trenching indicated the presence of parallel structures, with one trench exposing apparently parallel structures 250m south of the Baldo East 1 zone.

Current Exploration Update

On July 17, 2018, the Company reported that it had completed the first phase of the 2018 trenching campaign in the Baldo target. Seven new trenches were excavated in the Baldo and Matrincha target areas covering a total strike length of 1,218 meters. Three of the trenches were excavated to investigate the eastern extensions of both the Baldo 1 and Baldo 2 mineralized structures in the northern part of the Baldo target and a further three were excavated in the southern part of the Baldo target to investigate the source of high-grade gold in grab samples. The final trench was excavated in the adjacent Matrincha target to the south of the Baldo area.

Highlights were as follows;

- Trench TCBL 32 was excavated along the eastern extension of the Baldo 1 structure, some 200 meters east of trench TCBL- 29 which returned **10m @ 1.82 g/t gold and 7m @ 1.79 g/t gold including 1m @ 7.23 g/t gold.**
- Trenches TCBL-30 and TCBL-31 were excavated on the eastern extension of the Baldo 2 structure some 200 meters and 400 meters, respectively east of trench TCBL-28, which returned **29m @ 3.03 g/t gold including 7m @ 5.42 g/t gold and 4m @ 8.07 g/t gold.**

- Three trenches, TCBL-33, TCBL-34 and TCBL-36 were excavated in the southern part of the Baldo target to investigate grab samples taken previously in the area in 2011-2012, which had returned values of 92.10 g/t Au and 44.45 g/ t Au. The three trenches cover an east-west strike extension of approximately 450 meters where there is no outcrop.
- Trench TCBL-37 was excavated on the western side of the Matrincha target, adjacent to and south of the Baldo target area.

On October 17, 2018, the Company reported that it had been successful in discovering additional E-W trending structures at the Baldo and Matrincha areas. The Company has discovered an easterly extension to the Baldo 2 structure and has also discovered two new previously unmapped high-grade gold bearing structures to the south of the Baldo target.

Highlights were as follows:-

- Trenches TCBL-36 and TCBL-33 at Matrincha cut **5m @ 5.31 g/t gold (incl. 1m @ 24.0 g/t gold)** and **2m @ 5.03 g/t gold** + 1m @ 8.82g/t gold on a previously unknown E-W trending structure immediately south of the Baldo East target area, which has been named Matrincha 1. The total strike length of the Matrincha 1 structure thus far is 430m and it is open to the west and east.
- A second E-W trending structure was identified 75m south of Matrincha 1 and returned **3.6m @ 30.19 g/t gold (including 1m @ 106.31 g/t gold)** in trench TCBL-33 and **1m @ 18.9 g/t gold** in trench TCBL-36. The total strike length of the Matrincha 2 zone to date is 445m and it is similarly open both to the west and the east.
- **4m @ 8.42g/t gold** was returned in Trench TCBL-38 from the **Baldo East 2 zone** and was excavated 100m west of TCBL-28 which previously cut **29m @ 3.03 g/t gold** including 7m @ 5.42 g/t gold and 4m @ 8.07 g/t gold. The Baldo 2 structure is now known to extend 950m along strike and remains open to the east and west

Please see the Company's News Release dated October 17 for additional details.

Santa Helena (58,591.48 ha, Mato Grosso State, Brazil):

Property geology consists of Nhandu granite in the southern and central portions, and Colider suite micro-granites in the northern parts. North to northeast trending diabase dykes are in part parallel to a broad NNE trending shear, hosting later brittle deformation, hydrothermal alteration, quartz veining and gold associated with sulphides. Observed thicknesses and Au grades in the saprolite indicate potential for discovery of a significant open pit resource at Santa Helena. Three and six km-scale Au in soil anomalies over a 7 km trend associated with the broad shearing event remain virtually untested. Observed thicknesses and grades within the saprolite oxide domain indicate potential for discovery of an economic open pit deposit.

Current Exploration Update

On April 4, 2018, the Company reported that it had commenced with a copper exploration program at the Santa Helena Project located in eastern part of the Juruena belt in central Brazil. The project is characterized by gold mineralization on surface which the Company believes may be related to a concealed porphyry copper system. The Santa Helena project is the Company's closest project to the newly discovered copper porphyry by Anglo American at Jaca

On May 16, 2018, the Company provided an update on its early stage geological mapping and rock sampling program at the Santa Helena project.

The project has never been the subject of any previous drilling by Altamira. The current sampling program suggests the presence of a mineralized system with copper and gold values along a distance of 6km E-W.

The most easterly target is the Gabriel area which is located 1.2 km north of a small historic open pit mine which produced gold from a series of high-grade veins. A total of 20 grab samples were collected on surface from this area and returned gold values ranging from 0 to 171.6 g/t gold and 0 – 0.96% Cu and averaged 19.0 g/t gold and 0.11% Cu. Seven samples returned values above 10g/t gold.

The Flecha Dorada target is located 3km WSW of Gabriel. Grab samples from this prospect ranged from 0.3 – 153.8g/t gold and 0 – 0.81% Cu and averaged 31.2g/t gold + 0.13% Cu with 11 samples returning above 10g/t gold.

The Dorival target is located 500m west of Flecha Dorada. Six grab samples were collected from this prospect which ranged from 7.4 to 73.3g/t gold and 0 to 0.27% Cu, and averaged 24.6g/t gold.

Six grab samples were collected from the Tucura area and returned gold values of 0.2 to 22.6 g/t gold and averaged 7.2g/t gold. Tucura is located 2km NW of the Dorival target.

In addition to the rock sample results outlined above, Altamira has completed a program of soil sampling. On June 7, 2018, the Company provided results from its soil sampling program as follows:

A total of 196 soil samples were collected in the Gabriel target area. Soil samples were collected on a grid spaced 100 m N-S and 200 m E-W. This work has identified a significant zone of anomalous copper values up to 308ppm which is 1.5km in diameter. Anomalous molybdenum values up to 6ppm are also evident on the northern margin of the copper-in-soil anomaly with the zone being open to the north.

In addition, two existing gold-in-soil anomalies identified during previous sampling, are known to exist in the Gabriel and Flecha Dourada areas and appear to be peripheral to the copper-in-soil anomaly at Gabriel. The anomaly in the Gabriel area has a north-east trend and a surface expression of 1000m x 400 meters (gold-in-soil values range from 50 to 3,834 ppb Au). The gold anomaly is located 1km west of the copper-in-soil anomaly. The second gold anomaly is located two kilometers to the south west in the Flecha Dourada area and extends over an area surface of 750 x 500 meters (gold in soil values range from 50 to 3,830 ppb Au).

The presence of a copper-in-soil anomaly at Santa Helena associated with a large scale hydrothermal alteration system, as well as two significant gold-in-soil anomalies and numerous high grade gold bearing structures and elevated copper values increases the potential for a concealed Au-Cu mineralized system at Santa Helena.

Crepori (6,788.91 ha, Para State, Brazil):

The property is situated in the Tapajos Gold Province approximately 100km SW of the Serabi gold mine complex. Small-scale historical mining was conducted along two gold bearing quartz veins. There has been no previous drilling. Historic production in the Creporizinho region between 1983 and 1990 has been estimated by others at 400 kg Au per month. Spectacular grades up to 1022.98 g/t Au have been obtained from grab samples of quartz veining with sulphides in the old mine dumps. The property represents an opportunity for the discovery of a narrow-vein high grade gold deposit.

The Company collected 115 surface grab samples at Crepori, 56 samples were of saprolite or weathered bedrock, with the remainder being rock samples. The surface grab samples were collected mainly from four zones; Filao do Milton (24 samples), Ze de Ouro (10 samples) Filao de

Parente – Boiadeiro (33 samples) and Raimundo (24 samples). Samples were collected from both outcropping veins and surrounding wall rock and range from below the analytical method detection limit (5ppb) to 148.2g/t gold. Of the 115 samples collected, nine returned values above 5g/t gold, eight returned values of 1 – 5 g/t gold, twenty-six returned values of 0.1 – 1g/t gold and the remaining seventy-two samples returned values of less than 0.1g/t gold. All of the samples which returned values above 1g/t gold were rock samples.

The Company drilled a total of 7 holes for 876m at Crepori during November and December 2017. Holes were located in six separate areas where high grade veins had been mapped on surface but surface exposures in the area were sparse with +99% of the area being covered by recent soils. Once hole, CPR-1 returned grades and widths at Ze Milton that are considered very encouraging and require further drilling and follow up.

The bulk of the placer gold previously mined from the area was mined upstream from the Ze Milton and Ze de Bode targets in an area with virtually no outcrop. This area will be the focus of further work aimed at identifying the source of the placer gold previously mined from the Crepori area.

Colider (9,250.94 ha, Mato Grosso State, Brazil):

The Colider property represents potential for discovery of high-grade, shear zone controlled gold mineralization, suitable to support underground mining operations. Pre-acquisition exploration along a 5.5 km strike length of the target structure has identified four gold-in-soil anomaly areas, and thirteen diamond drill holes totaling 2700m targeting the bedrock have yielded promising results including 4.1 m @ 13.6 g/t Au, and 2m @ 9.6 g/t Au. In addition multiple elevated copper values were found in previous drill holes at the Colíder project including 4.1m @ 1.05% Cu and 18.59g/t Au in Hole #CL-1 and 2.9m @ 0.61% Cu and 6.1g/t Au in Hole #CL-8.

Nova Canaa (10,011.20 ha, Mato Grosso State, Brazil):

Similar to Colider, mineralized veins in granitic rocks host Au with associated pyrite, chalcocopyrite and galena. The property currently has three and six main target areas identified. Previous underground sampling has identified promising grades including 2m @ 92.19 g/t Au. Twenty five diamond drill holes totaling 3,977m were drilled in 2007 and 2010 targeting the bedrock yielding high grade gold and silver results. Gold results included 2m at 7.2g/t Au, 2.9m at 14.2g/t Au, and 1.5m at 17.2g/t Au.

Apiacas (80,305.52 ha, Mato Grosso State, Brazil):

Apiacas comprises a package of properties covering seven main target areas. There has been no previous drilling. Wide-spaced trenching over prospective structures along a two km trend, adjacent historic garimpeiro workings, has achieved some promising results, including 9m @ 9.44 g/t Au, and 9m @ 4.5 g/t Au. The initial impression of the Company is that there is potential for discovery and delineation of significant high-grade gold resources at Apiacas. In addition copper values including values exceeding 1% Cu were obtained from grab samples at the Paulinho Troca Tiro prospect at Apiacas.

Vila Rica (2586.79 ha, Mato Grosso State, Brazil):

This property is an early-stage exploration play approximately 600 km east of Cajueiro project, within a prospective area of the Juruena Gold Belt. The Company is including Vila Rica in a technical review of all holdings to determine a priority rating for further exploration.

Near term focus

- Additional trenching and drilling of recently discovered mineralized zones in the Baldo East and Matrincha areas at Cajueiro with the objective of expanding the current resource.
- Trenching of previously untested peripheral gold-in-soil targets at Cajueiro including Novo Sonhos and Sossego.
- Identification of possible buried porphyry sources using geophysical and geochemical techniques in the Cajueiro, Apiacas and Santa Helena areas to assess potential for copper mineralization.

Qualified Person

Guillermo Hughes, P. Geo., a consultant to the Company as well as a Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in the preceding descriptions of the Company's mining properties.

SUMMARY OF QUARTERLY RESULTS

The following table provides information for the eight fiscal quarters ended August 31, 2018.

	August 31, 2018	May 31, 2018	February 28, 2018	November 30, 2017
Total revenues	\$ nil	\$ nil	\$ nil	\$ nil
Loss for the period	(250,687)	(418,846)	(3,472,020)	(284,602)
Basic and diluted loss per share	(0.01)	(0.01)	(\$0.08)	(\$0.01)

	August 31, 2017	May 31, 2017	February 28, 2017	November 30, 2016
Total revenues	\$ nil	\$ nil	\$ nil	\$ nil
Loss for the period	(449,463)	(858,964)	(352,140)	(534,810)
Basic and diluted loss per share	(\$0.01)	(\$0.02)	*(\$0.02)	*(0.00)

**Based on post rollback weighted average shares issued.*

Trends over the last eight quarters:

Share-based payments costs in respect of stock options granted have increased the losses in the May 31, 2017, August 31, 2017, February 28, 2018 and May 31, 2018 quarters. The significant increase in the loss in the February 28, 2018 quarter results from the write off of the Garland property in Newfoundland that was relinquished during the quarter. Results for the November 30, 2016 quarter included due diligence costs for a financing transaction that did not proceed.

RESULTS OF OPERATIONS

	Three Months Ended August 31,		Six Months Ended August 31,	
	2018	2017	2018	2017
Expenses				
Advertising and promotion	\$ 12,021	\$ 42,137	\$ 57,336	\$ 52,293
Amortization	6,637	4,220	13,249	10,155
Consulting fees and staff costs	139,847	125,865	278,409	308,095
Investor relations	-	6,400	-	6,400
Office and general	31,950	36,082	73,282	72,854
Other Exploration costs	6,301	-	6,301	4,032
Professional fees	26,390	9,045	30,591	63,287
Share-based payments	-	220,247	157,553	728,156
Transfer agent & regulatory fees	9,141	1,643	12,661	46,878
Travel	19,074	7,150	38,941	16,394
	(251,361)	(452,789)	(668,323)	(1,308,544)

For the six months ended August 31, 2018, advertising and promotion, and investor relations expenses combined have remained in line with the previous year. Costs in the quarter are substantially lower than in the prior year due to changes in the mix and timing of activities.

For the six months ended August 31, 2018, consulting and staff costs have declined due to non-recurring termination costs. Costs in the quarter have increased over the prior year as a result of staff changes.

Other Exploration cost are payments required to maintain title to properties in Canada that were fully impaired in prior years.

For the six months and quarter ended August 31, 2018, professional fees declined compared to the prior six months as a result of non-recurring costs for legal accounting and advisory services related to financing activity. Professional fees in the quarter have increased over the prior year as a result of the timing of audit.

For the six months ended August 31, 2018, transfer agent and regulatory fees decreased due to a lower level of financing activity compared to the prior six months. The increase in the current quarter over the prior year results from the timing of costs related to the Annual General Meeting.

For the six months and quarter ended August 31, 2018, travel has increased as a result of site visits and increased team travel in Brazil due to the exploration program.

CAPITAL RESOURCES AND LIQUIDITY

As of August 31, 2018, the Company had cash and cash equivalents of \$761,211 (February 28, 2018, \$1,062,758) and working a capital surplus of \$619,169 (February 28, 2018, \$845,987). The Company closed a \$900,000 financing in August 2018. The Company has no source of operating cash flows and operations to date have been funded primarily from the issuance of share capital. As a result, the Company's ability to continue as a going concern is contingent on its ability to monetize assets, obtain additional financing through loans or equity financing, or through other arrangements.

Funds raised from previous financings are being used towards continued corporate development and general working capital purposes. The Company will need to raise additional funds to cover all of its planned fiscal 2019 activities. Actual funding requirements may vary from those planned due to a number of factors, including the progress of the Company's business activities and current economic and financial market conditions. The Company will continue to pursue opportunities to raise additional capital through equity markets to fund its future exploration and operating activities; however there can be no assurance that such financing will be available on a timely basis and under terms which are acceptable to the Company

OFF BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements to which the Company is committed.

PROPOSED TRANSACTIONS

There are no proposed transactions that have not been disclosed herein.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at August 31, 2018, the Company's financial instruments are comprised of cash, amounts due to related parties, reclamation bonds, and accounts payable and accrued liabilities. The carrying value of cash, due to related parties, reclamation bonds, and accounts payable and accrued liabilities approximate their fair values due to the relatively short periods to maturity of these financial instruments.

CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as share capital, and cash.

The Company is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new sources of financing available and to manage its expenditures to reflect current financial resources in the interest of sustaining long term viability.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's capital management objectives, policies and processes have not changed over the period presented. The Company is not subject to any externally imposed capital requirements.

RELATED PARTY TRANSACTIONS

	Six Month Period ended	
	August 31, 2018	August 31, 2017
Key Management Compensation:		
Consulting fees and salaries	\$ 190,500	\$ 180,000
Share-based payments	84,640	364,040
Total	\$ 275,140	\$ 544,040
	August 31, 2018	February 28, 2018
Related Party Balances:		
Due to directors and officers of the Company	\$ 485	\$ 81,833
Due to (from) companies related by common directors*	(3,777)	(5,688)
Total	\$ (3,292)	\$ 76,145

*Due from companies related by common directors are included with other receivables.

Related party amounts are unsecured, non-interest bearing and due on demand. These transactions are measured by the exchange amount that is the amount agreed upon by the transacting parties and are on terms and conditions similar to non-related entities.

DISCLOSURE OF OUTSTANDING SHARE DATA

At the date of this report, the Company has 57,633,316 common shares outstanding.

The following table provides a summary of the Company's stock options outstanding at the date of this report:

Expiry Date	Exercise Price*	Number of options*
April 5, 2022	\$0.28	1,830,000
June 27, 2022	\$0.28	1,015,000
November 10, 2022	\$0.28	645,000
May 14, 2023	\$0.17	1,070,000
October 1, 2021	\$0.10	100,000
Total		4,660,000

The following table provides a summary of the Company's warrants outstanding at the date of this report:

Expiry Date	Exercise Price*	Number of warrants*
February 22, 2019	\$ 0.27	9,997,707
March 1, 2019	\$0.27	4,179,522
April 6, 2019	\$0.33	1,616,214
December 22, 2019	\$0.33	618,800
December 22, 2022	\$0.33	9,665,000
August 16, 2023	\$0.20	6,060,000
August 23, 2023	\$0.20	2,940,000
Total		35,077,243

ADOPTION OF NEW AND AMENDED IFRS PRONOUNCEMENTS

The Company has consistently applied the accounting policies and the significant judgments, estimates and assumptions set out in Notes 2, 3 and 5 of the Company's audited consolidated financial statements for the year ended February 28, 2018 to all the periods presented in these annual consolidated financial statements.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New accounting standards and amendments adopted

The following standards have been adopted as at March 1, 2018. The Company has determined the impact of the new requirements to not be material.

IFRS 9, Financial Instruments ("IFRS 9") replaces IAS 39, Financial Instruments – Recognition and Measurement ("IAS 39") and some of the requirements of IFRS 7, Financial Instruments: Disclosures ("IFRS 7").

The objective of IFRS 9 is to establish principles for reporting of financial assets and financial liabilities in respect of the assessment of the amounts, timing and uncertainty of an entity's future cash flows.

IFRS 15, Revenue from Contracts with Customers ("IFRS 15") replaces IAS 11, Construction Contracts ("IAS 11"), IAS 18, Revenue ("IAS 18") and some revenue-related interpretations. The objective of IFRS 15 is to provide a single comprehensive revenue recognition model that applies to contracts with customers using two approaches to recognizing revenue – at one point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of the revenue recognized.

Accounting standards and amendments issued but not yet adopted

IFRS 16, Leases ("IFRS 16") replaces IAS 17, Leases ("IAS 17"). The new model 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. In addition, the lease payments are required to be presented on the statement of cash flow within operating and financing activities for the interest and principal portions, respectively.

IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption permitted. The Company is in the process of evaluating the impact.

There are no other IFRS or IFRS Interpretations Committee (“IFRIC”) interpretations that are not yet effective that would be expected to have a material impact on the Company.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Changes in Internal Control over Financial Reporting (“ICFR”)

In connection with National Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (“NI 52-109”) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management’s Discussion and Analysis. The Venture Issue Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

FORWARD LOOKING STATEMENTS

Statements in this report that are not historical facts are forward looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. All such statements, other than statements of historical facts, that address estimated resource quantities, grades, locations, geometry and contained metals, possible future mining, exploration and development activities, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward- looking statements.

Readers are cautioned not to put undue reliance on forward looking statements.

RISKS AND UNCERTAINTIES

Prior to making an investment decision, investors should consider the investment risks set out below and those described elsewhere in this document, which are in addition to the usual risks associated with an investment in a business at an early stage of development. The directors of the Company consider the risks set out below to be the most significant to potential investors in the Company, but are not all of the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Directors are currently unaware, or which they consider not to be material in relation to the Company’s business, actually occur, the Company’s assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company’s securities could decline and investors may lose all or part of their investment.

Title matters

While the Company has performed its diligence with respect to title of its properties, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements of transfer or other adverse land claims, and title may be affected by undetected defects.

Availability of financing

There is no assurance that additional funding will be available to the Company for additional exploration or for the substantial capital that is typically required in order to bring a mineral project to the production decision or to place a property into commercial production. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

Management

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company.

Environmental legislation

Environmental legislation is becoming increasingly stringent and the costs of compliance with environmental legislation are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated

Economics of developing mineral properties

Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines.

With respect to the Company's properties, should any mineral resource exist, substantial expenditures will be required to confirm that mineral reserves which are sufficient to commercially mine exist on its current properties, and to obtain the required environmental approvals and permits required to commence commercial operations. Should any resource be defined on such properties, there can be no assurance that the mineral resources on such properties can be commercially mined or that the metallurgical processing will produce economically viable, merchantable products. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) market prices for the minerals to be produced; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control.

The ability of the Company to sell and profit from the sale of any eventual mineral production from any of the Company's properties will be subject to the prevailing conditions in the global minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of the Company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.