The following discussion is management's assessment and analysis of the results and financial condition of Oceanic Iron Ore Corp. ("Oceanic" or the "Company"), and should be read in conjunction with the accompanying audited annual financial statements and related notes for the years ended March 31, 2018 and 2017. The Company reports its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied. Please see the section entitled "Forward Looking Statements" of this document for further detail on forward looking statements. The effective date of this report is July 26, 2018.

Description of Business

The Company was incorporated on March 8, 1986 under the British Columbia Business Corporations Act. Its common shares are traded on the TSX Venture Exchange.

The Company is focused on the development of the Ungava Bay iron property (the "Property") in Nunavik, Québec, which the Company acquired in November, 2010. The Property comprises three project areas: Hopes Advance, Morgan Lake and Roberts Lake, which cover over 39,717 hectares of iron formation and are located within 20 – 50 km of tidewater. The Company has a 100% interest, subject to a 2% net smelter returns royalty ("NSR") in the Property. The Company is currently focused on continuing its development of the Hopes Advance project through a feasibility study and environmental assessment as well as securing a strategic partner for the Hopes Advance project.

Hopes Advance Project Update

In January 2018, the Company signed a Memorandum of Understanding ("MOU") with Sinosteel Equipment and Engineering Co. Ltd. ("SinoSteel"), to formalize the understanding and intentions of the parties in respect of cooperation focused on the Company's Hopes Advance project development. Specifically, SinoSteel intends to assist in the arrangement of a future equity investment, off-take and project financing in exchange for future mining and plant related infrastructure EPC work. The MOU is a non-binding agreement that both the Company and Sinosteel intend to evolve to binding project financing arrangement and EPC agreements at a future date. Management also continue discussions with other potential strategic partners and management will provide updates as and when required.

The Company continues to focus its efforts on sourcing the capital required to meaningfully progress the development of the Hopes Advance Project. Such efforts have not come without its challenges given the intensive up front capital required and the challenging environment in China. Management is also currently considering a study to revisit the initial scale of production of Hopes Advance in order to quantify the potential economic benefits of a lower capital expenditure. A decision on this and the cost of the study and how it might be finished is expected to be made in the second half of 2018.

Management remain confident in ultimately securing the requisite financing to move forward with Hopes Advance because of the desirable characteristics of the Project being a high quality, low cost, and low impurity product.

Achievements to Date – Hopes Advance Project

Active development of the Hopes Advance project commenced in March 2011 with the start of the Company's resource verification program.

Since then, milestones have been achieved in a number of areas:

1. *Project Technical Study and Economics*

   - In November 2012, the Company published its Pre-Feasibility Study. Further information in respect of the Company's Pre-Feasibility Study is available in the full National Instrument 43-101 ("NI 43-101") technical report on the Company's website (www.oceanicironore.com) and on SEDAR (www.sedar.com).

2. *Resource definition*

   - In November 2012, as part of its Pre-Feasibility Study, the Company published an updated NI 43-101 compliant In-Pit Mineral Resource Estimate for the Hopes Advance project. The Resource Estimate NI 43-101 technical report is available on the Company's website (www.oceanicironore.com) and on SEDAR (www.sedar.com).

3. *Economic Mineral Reserves*

   - In November 2012, as part of its Pre-Feasibility Study, the Company published an NI 43-101 compliant mineral reserve estimate.

4. *Metallurgy*

   - Metallurgical bench scale testing program and pilot plant testwork was conducted by SGS Mineral Services Lakefield which was completed to optimize the process flow sheet for the recovery of hematite and magnetite ores.

5. *Product Versatility and Marketability*

   - Completion of a Product Value-In-Use Marketing Study, led by Vulcantech Technologies Pty Ltd. Further discussion of the results of the study can be found in the press release on the Company's website (www.oceanicironore.com).

   - Completed a Pot Grate test work program, performed by Coleraine Minerals Research Laboratory and supervised by Rod Johnson, VP Geometallurgy. Details on the results of the program can be found in the press release on the Company's website (www.oceanicironore.com).

   - Completion of a Shipping Optimization Study, led by AMEC Environment and Infrastructure. Details on the results of the study can be found in the press release on the Company's website (www.oceanicironore.com).

6. *Community/Government Relations and Support*

   - As noted above, in June 2015, the Québec government, through its subdivision Ressources Québec, provided the Company with a Letter of Intent, whereby Ressources Québec would contribute up to 25% or $3.75 million of a potential future $15 million financing to bring the Hopes Advance project through a Feasibility Study, subject to additional future government approvals.

7. *Environmental*

   - To date, all of the terrestrial baseline work for the Environmental Impact Assessment has been completed. As noted above, the outstanding components include marine baseline data inventories and additional consultations with relevant stakeholders.

   - A time sensitive migratory bird survey was completed during May 2016. Further, in September 2016, the Company completed baseline data collection focused on marine mammals, fish studies, water quality, and mollusk habitat. With the insights obtained from baseline data collection and environmental studies the Company will engage in additional future dialogue with Inuit stakeholders in the region to optimize the Project's benefits and minimize the impacts associated with the Project's construction and subsequent operations

   - No additional environmental work or expenditure is presently contemplated until the Company succeeds at securing additional short term financing.

Eddy Canova, P.Geo., OGQ(403), a Qualified Person as defined by NI 43-101, has reviewed and is responsible for the technical information contained in this document.

Selected Annual Information

The following table presents selected annual information extracted from the relevant audited financial statements under IFRS:

	2018	2017	2016
Total Assets, March 31	$ 42,705,145	$ 42,282,529	$ 41,944,451
Non-current financial liabilities	$ 1,631,996	$ 446,078	$ 1,876,596
Revenues (**Note 1**)	$ -	$ -	$ -
Net loss for the year	$ (1,453,251)	$ (1,356,713)	$ (1,740,023)
Basic and diluted loss per share	$ (0.03)	$ (0.03)	$ (0.05)
Weighted average number of common shares outstanding	56,212,517	46,368,897	37,605,844

Note 1 – As the Company has yet to achieve commercial production from its mineral asset, the Company has no revenue to report during the financial reporting periods noted above.

Factors that have caused changes in operations and financial position from the year ended March 31, 2017 to the year ended March 31, 2018 have been disclosed under the section entitled "Overall Performance and Results of Operations" below. The total assets balance increased from March 31, 2016 to March 31, 2017 largely as a result of $1 million increase in mineral properties resulting from work performed in respect to a time sensitive migratory bird survey and other baseline data work in respect of the Company's Environmental Impact Study, as well as accretion of the Company's advance royalty payable, and associated holding costs of the Company's properties, land access payments, and office and administrative costs. This increase was partially offset by a cash decrease of $373 thousand resulting from $433 thousand spent on investing activities relating to the Company's mineral properties, $778 thousand spend on operating activities, partially offset by cash proceeds from financing activities of $959 thousand relating to a private placement completed during September 2016, partially offset by $121 thousand interest paid on convertible debentures.

The non-current financial liabilities decreased from March 31, 2016 to March 31, 2017 as a result of the Sino-Canada convertible debenture liability becoming current, due to its maturity date of November 2017.

On November 23, 2017 the Company settled the remaining principal amount and all accrued unpaid interest of the Sino-Canada Debenture through the issuance of 16,734,703 common shares of the Company. Refer to Liquidity and Capital Resources discussion below.

The net loss in March 31, 2017 decreased from the same period in 2016, largely resulting from a decrease in consulting and management fees and wages and benefits due to the Company implementing management fee and salary reductions with key management of the Company, as well as a decrease share based payments recognized during the year as a result of a lower number of stock options vesting.

Overall Performance and Results of Operations

Total assets increased to $42,705,145 at March 31, 2018 from $42,282,529 at March 31, 2017. The most significant assets at March 31, 2018 were mineral properties of $42,325,645 (March 31, 2017: $41,974,448), and cash and cash equivalents of $330,373 (March 31, 2017: $234,085). The Company had a working capital deficit at March 31, 2018 of $213,993.

The net increase in mineral properties of $351,197 largely reflects accretion of the Company's advance royalty payable as well as the associated holding costs of the Company's properties, land access payments, amortization of the Company's equipment, as well as office and administrative costs.

The increase in cash during the year of $96,288 resulted largely from $810,000 of proceeds received from the convertible debenture private placement which occurred in September 2017, partially offset by $108,066 interest paid on the Company's existing convertible debentures. Further, the Company incurred cash outflows from operating activities of $474,713 and $138,843 cash outflow from investing activities. Cash outflows from investing activities related in their entirety to mineral property expenditures as described above.

The Company incurred a net loss of $1,453,251 during the year ended March 31, 2018 (2017: $1,356,713). The most significant operating expenses incurred were consulting and management fees of $220,000 (2017: $175,000) incurred to support the Company's operations, wages and benefits of $157,552 (2017: $306,225), and share-based payments of $144,173 (2017: $222,836). Consulting and management fees increased slightly from the same period in the prior year as a result of consulting fees paid to the Company's interim CEO, whereby, wages and benefits decreased from the same period in the prior year as a result of the resignation of the Company's former CEO, which occurred in June 2017. Share-based payments decreased from the prior year as a result of a lower number of stock options vesting. Non-cash share based payments represent the Black-Scholes calculated fair value of the stock options vested during the period from options granted to directors, officers, employees and consultants.

During the year ended March 31, 2018, the Company incurred $308,214 of interest and accretion expense on the Company's convertible debentures (2017: $347,231). Further, the Company recognized a $380,818 unrealized loss on its convertible debenture derivative liability. Because the conversion option of the convertible debenture contains both a common share and a warrant (refer to Convertible Debentures discussion below), IFRS does not allow the conversion feature to be accounted for as equity, but rather, IFRS requires this conversion option to be treated as a derivative liability and fair valued each reporting period, creating an accounting unrealized gain or loss. As a result of the application of this standard, the Company is required to recognize the convertible debentures as having two separate liability components. Firstly, the Units which are recognized as a derivative liability and fair valued each reporting period, and secondly the convertible debenture liability, which is fair valued at the time of issue, and then accreted to the face value over the life of the convertible debentures. At March 31, 2018, the derivative liability balance increased by $380,818 to $677,380, resulting in the Company recognizing an unrealized loss on the statement of loss and comprehensive loss (2017: $nil).

Liquidity and Capital Resources

While the financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events result in a material uncertainty casting significant doubt on the validity of this assumption. For the year ended March 31, 2018, the Company reported a loss of $1,453,251 and as at that date had an accumulated deficit of $29,913,995. The Company has a working capital deficit of $213,993 at March 31, 2018. Although the Company completed a convertible debenture financing in September 2017, the Company's ability to continue on a going concern basis for and beyond the next twelve months depends on its ability to successfully raise additional financing for continued operations and for the necessary capital expenditures required to achieve planned principal operations. The Company continues to pursue a number of options to improve its financial capacity, including securing a strategic partner to further advance the Hopes Advance project, and obtaining cash flow through other forms of financing. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets, investor perceptions and expectations, the retention of key executive management and the state of global financial and metals markets.

<u>Convertible Debentures – 2017 Private Placement</u>

On September 26, 2017, the Company completed a non-brokered financing of $810,000 by way of issuance of convertible debentures (the "2017 Debentures"). The 2017 Debentures carry an interest rate of 8.5%, payable quarterly, with a maturity date of September 26, 2022. The 2017 Debentures are secured against the assets of the Company.

The principal amount of the 2017 Debentures are convertible at any time at the election of the Company. The 2017 Debentures are convertible into Units, whereby each Unit consists of one common share of the Company and one share purchase warrant of the Company. The conversion price during the first year of the 2017 Debentures is $0.08 per Unit, increasing to $0.10 per Unit for the remainder of the life of the 2017 Debentures. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.10 per common share, expiring September 26, 2022.

Proceeds from the 2017 Debentures have been used to fund ongoing negotiations with potential strategic partners, general claims maintenance, and corporate and working capital purposes.

<u>Convertible Debentures – Sino-Canada Natural Resources Fund I ("Sino-Canada Debenture")</u>

On November 23, 2017 the Company settled the remaining principal amount of the Sino-Canada Debenture of $2,025,329 plus accrued and unpaid interest up to the maturity date of $17,798 through the issuance of

16,734,703 common shares of the Company. The conversion price used to determine the common shares issued to the Sino-Canada Debenture holders was based on the volume weighted average share price during the 20 trading days ending on the day before the Company provided notice of its intent to repay the Sino-Canada Debenture in common shares of the Company, being November 17, 2017.

Off-Balance Sheet Arrangements

As at March 31, 2018, the Company had no off-balance sheet arrangements.

Summary of Quarterly Results

Below is a summary of results for the eight most recently completed quarters in accordance with IFRS:

	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Revenues (**Note 1**)	$ -	$ -	$ -	$ -
Net loss	$ (654,224)	$ (173,306)	$ (291,829)	$ (333,892)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.01)

	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Revenues (**Note 1**)	$ -	$ -	$ -	$ -
Net loss	$ (414,562)	$ (314,935)	$ (307,669)	$ (319,547)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.01)	$ (0.01)

Note 1 – As the Company has yet to achieve commercial production from its mineral related assets, the Company has no revenue to report during the financial reporting periods noted above.

The increase in net loss in Q4 2017 from prior quarters is largely a result of an increase in share-based payments as a result of the stock option grant that occurred during Q4 2017. The decrease in the net loss in Q1 2018 from Q4 2017 was a result of lower professional fees incurred due to the Company's year end audit which took place in the prior quarter, in addition to decreased corporate development costs due to less travel in management's efforts to preserve cash. Lastly there was decreased share-based payment expense recognized during the quarter as a result of a lower number of stock options vesting during the quarter. The decrease in Q2 2018 from Q1 2018 is a result of lower wages and benefits resulting from the Company's CEO resigning in June 2017. Further, there was a decrease in share-based payment expense recognized during the quarter as a result of lower number of stock options and restricted share units vesting during the quarter. The increase in Q4 2018 from Q3 2018 from Q2 2018 is a result of the Company recognizing an unrealized loss on the convertible debenture due to the fair value adjustment to the derivative liability. Refer to Results of Operations for the three-month period ended, discussion below.

Fourth Quarter Results

The Company incurred a net loss of $654,223 during the three months ended March 31, 2018 (2017: $414,562). The most significant operating expenses incurred were consulting and management fees of $58,750 (2017: $43,750) incurred to support the Company's operations, wages and benefits of $30,158 (2017: $69,468). Consulting and management fees increased slightly from the same period in the prior year as a result of consulting fees paid to the Company's interim CEO, whereas wages and benefits decreased from the same period in the prior year as a result of the resignation of the Company's former CEO, which occurred in June 2017.

During the three months ended March 31, 2018, the Company incurred $27,315 of accretion expense on the Company's convertible debentures (2017: $91,072). Further, the Company recognized a $380,818 unrealized loss on its convertible debenture derivative liability. Because the conversion option of the convertible debenture contains both a common share and a warrant (refer to Convertible Debentures discussion below), IFRS does not allow the conversion feature to be accounted for as equity, but rather, IFRS requires this conversion option to be treated as a derivative liability and fair valued each reporting period, creating an accounting unrealized gain or loss. As a result of the application of this standard, the Company is required to recognize the convertible debentures as having two separate liability components. Firstly, the Units which are recognized as a derivative liability and fair valued each reporting period, and secondly the convertible debenture liability, which is fair valued at the time of issue, and then accreted to the face value over the life of the convertible debentures. At March 31, 2018, the derivative liability balance increased by $380,818 to $677,380, resulting in the Company recognizing an unrealized loss on the statement of loss and comprehensive loss (2017: $nil).

Critical Accounting Policies

A detailed summary of all the Company's significant accounting policies is included in Note 3 to the audited annual financial statements for the year ended March 31, 2018.

Critical Accounting Estimates

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Areas of estimates include measurement of advance royalty payables, and the fair value of the embedded derivative liability related to the 2017 Debentures (a Level 3 financial instrument). Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes to the annual audited financial statements for the year ended March 31, 2018 where applicable.

Financial Instruments and Other Instruments

Financial Risk Management

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

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company's exposure to credit risk is on its cash and cash equivalents and receivables. The Company has concentration of risk with respect to cash being held with one large Canadian financial institution. The Company's credit risk is mitigated by maintaining its financial liquid assets with highly reputable counterparties. The maximum exposure to credit risk is equal to the carrying value of the financial assets noted above.

Liquidity Risk

Liquidity risk is the risk that the Company cannot meet its obligations as they fall due. The Company's cash and cash equivalents are invested in business accounts and term deposits which are available on demand. The Company manages liquidity risk by preparing and maintaining cash forecasts, which illustrate cash spent to date and the Company's cash needs over the short term. Contractual undiscounted cash flow requirements for financial liabilities as at March 31, 2018 and 2017 are presented below.

March 31, 2018

	Less than 1 year	1 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 126,510	$ -	$ -	$ 126,510
Due to related parties	188,835	-	-	188,835
Convertible debenture - liability component	68,850	206,550	841,129	1,116,529
Advance royalty payable	300,000	200,000	600,000	1,100,000

March 31, 2017

	Less than 1 year	1 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 149,361	$ -	$ -	$ 149,361
Due to related parties	4,374	-	-	4,374
Convertible debenture - liability component	2,025,329	-	-	2,025,329
Advance royalty payable	200,000	400,000	400,000	1,000,000

The Company's ability to continue operations in the normal course of business is dependent on several factors, including the ability to secure additional financing. In addition, the recoverability of the amounts shown for mineral properties are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production, all of which are uncertain.

Market Risk

Market risk is the risk that the fair market value of the Company's financial instruments will significantly fluctuate due to changes in market prices. The value of the financial instruments can be affected by changes in interest rates, foreign exchange rates and equity and commodity prices. The Company is exposed to market risk in its cash and cash equivalents. The Company manages market risk by investing funds with a reputable financial institution that provides competitive rates of return.

The Company's financial instruments are not subject to significant fluctuation due to changes in equity prices of investments included in commodity prices or foreign exchange rates.

The Company also invests surplus cash in fixed rate term deposits. It is the Company's policy to reduce interest rate risk over future cash flows through the use of instruments with a history of returns. A 1% change in interest rates would have a negligible impact on net loss and comprehensive loss.

Fair value

Fair value is based on available public market information or, when such information is not available, estimated using present value techniques and assumptions concerning the amount and timing of future cash flows and discount rates which factor in the appropriate credit risk. The carrying values of cash and cash equivalents, receivables, restricted cash, accounts payable convertible debenture liability and accrued liabilities, and due to related parties approximate their fair values due to their short-term nature.

Commitments

Effective March 1, 2011 (amended on July 1, 2012) the Company entered into an agreement with an affiliated company, with a director and officer in common, in respect of shared lease, overhead and service costs. Under the agreement, the Company is billed quarterly for office rental and other services relating to its office in Vancouver. The agreement expires on December 31, 2019. Either party may terminate the agreement by providing 90 days' notice.

As part of the acquisition of the Ungava Bay mineral properties, commencing on November 30, 2011, Oceanic must pay advance net smelter royalty ("NSR") payments of $200,000 per year, which will be credited against all future NSR payments payable from production.

The committed charges for the Company are as follows:

March 31,	Vancouver office rent	NSR payments	Total commitments
2019	34,219	300,000	334,219
2020	25,872	200,000	225,872
Thereafter	-	600,000	600,000
	$ 60,091	$ 1,100,000	$ 1,160,091

Related Party Transactions and Key Management Compensation

a) Key management compensation

Key management includes the Company's directors, Chief Executive Officer, Chief Financial Officer and President and Chief Operating Officer. Compensation awarded to key management is presented in the table below:

Related Party	Relationship	Compensation Type		Year end March 31 2018		Year end March 31 2017
Steven Dean	Executive Chairman and Director	Share-based payments and Directors' fees	**$**	**35,073**	$	63,974
Alan Gorman *	Former President and CEO	Wages, benefits, and share-based payments		**70,406**		238,556
Bing Pan *	Interim CEO	Share-based payments		**9,364**		
Gordon Keep	Director	Directors' fees and share-based payments		**21,549**		26,518
Hon. John D. Reynolds P.C.	Director	Directors' fees and share-based payments		**21,549**		25,348
Jean Martel**	Director	Directors' fees and share-based payments		**11,549**		26,128
Daisy Zhu***	Director	Share-based payments		**7,958**		5,684
Chris Batalha	CFO and Corporate Secretary	Wages, benefits, and share-based payments		**75,293**		83,334
			$	**252,741**	$	469,542

**On June 14, 2017, Mr. Alan Gorman resigned as President, CEO and director of the Company. Mr. Bing Pan succeeded Mr. Gorman as Interim CEO.Mr. Bing Pan was formerly a consultant to the Company.*
***On April 7, 2017, Mr. Jean Martel resigned as a director of the Company.*
****On September 26, 2017, Daisy Zhu resigned as a director of the Company, Cathy Chan succeeded Ms. Zhu as a director of the Company.*

As at March 31, 2018, the Company had the following balances owed to certain officers and directors of the Company:

Related Party	Relationship	Compensation Type	Amount Payable ($)
Gordon Keep	Director	Directors' fees	**5,000**
Hon. John D. Reynolds P.C.	Director	Directors' fees	**5,000**
Steven Dean**	Director	Consulting fees and Directors' fees	**72,562**
Chris Batalha	CFO and Corporate	Wages and benefits	**35,000**

***Includes $67,563 of consulting fees due to Sirocco Advisory Services Ltd., a company controlled by Steven Dean.*

b) Payments for services by related parties

During the year ended March 31, 2018, the Company incurred corporate consulting fees of $115,000 (2017: $115,000), to Sirocco Advisory Services Ltd., a company controlled by Steven Dean, a director and officer of the Company.

During the year ended March 31, 2018, the Company incurred corporate consulting fees of $60,000 (2017: $47,500) to Sinocan Consultant Hong Kong Ltd., a company controlled by Bing Pan, the Interim CEO of the Company.

As disclosed in the section entitled "Commitments", the Company is charged shared lease and overhead, and service costs by Atlantic Gold Corporation, a company with a director and officer in common, being Steven Dean and Chris Batalha, respectively. During the year ended March 31, 2018, the Company incurred $75,850 (March 31, 2017: $74,800) in shared lease, overhead, and service costs. As at March 31, 2018, the Company owed $68,772 to Atlantic Gold Corporation (March 31, 2017: $4,374).

In September 2017, the Company completed a non-brokered financing by way of issuance of convertible debentures. The convertible debentures are secured against the assets of the Company. The following table outlines the debentures held by officers and directors of the Company:

Related Party	Relationship	2017 Debentures Held ($)
Steven Dean*	Executive Chairman	**33,000**
Gordon Keep	Director	**50,000**
Chris Batalha	CFO and Corporate Secretary	**22,000**

**Convertible Debentures are held through Sirocco Advisory Services, a company controlled by Steven Dean*

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

Outstanding Share Data

As at the date of this report, there were 67,997,516 common shares issued and outstanding.

As at the date of this report, there were 4,374,283 stock options, 4,925,000 common share purchase warrants, and 433,332 RSUs outstanding.

As discussed in the section entitled "Convertible Debenture", the Company's 2017 Debentures with a principal balance of $810,000 can be converted to 10,125,000 common shares of the Company at a price of $0.08 per share during the first year of the 2017 Debentures, and decreasing to 8,100,000 common shares of the Company at a price of $0.10 per share for the remainder of the life of the 2017 Debentures. Further, the 2017 Debentures also entitle each holder share purchase warrants to purchase one common share of the company at a price of $0.10 per common share, expiring September 26, 2022.

Risks and Uncertainties

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. At present, the mineral properties owned by the Company are located in Québec, Canada. Due to the nature of the Company's proposed business and the present stage of exploration of its mineral properties (which are primarily exploration), the following risk factors, among others, will apply:

Going Concern

The financial statements have been prepared on a going concern basis, which assumes that 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 business.

While these financial statements have been prepared on the basis that the Company will continue as a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events result in material uncertainty casting significant doubt on the validity of this assumption For the year ended March 31, 2018, the Company reported a loss of $1,453,251 and as at that date had an accumulated deficit of $29,913,995 and working capital deficit of $213,993. Despite the private placement financing that completed in September 2017, the Company will need to raise additional funds in order to finance ongoing exploration, development and administrative expenses over the coming 12 months. The Company continues to pursue a number of options to improve its financial capacity, including securing a strategic partner to further advance the Hopes Advance project, and obtaining cash flow through other forms of financing. The success of raising such funds cannot be assured. Factors that could affect the availability of financing include the Company's performance, the state of international debt and equity markets, investor perceptions and expectations, the retention of key executive management and the state of global financial and metals markets.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary were the going concern assumption deemed to be inappropriate, and these adjustments could be material.

Exploration and Development Risks

The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but could have a material adverse effect upon the Company's operations.

There is no certainty that the expenditures made by the Company toward the search and evaluation of minerals will result in discoveries of mineral resources, Mineral Reserves or any other mineral occurrences.

Political Stability and Government Regulation Risks

The operations of the Company are currently conducted in Québec, Canada. As such, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; extreme fluctuations in currency exchange rates; and changing political conditions, currency controls and governmental regulations. Changes, if any, in mining or investment policies or shifts in political attitudes in Québec or Canada more broadly may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. For example, in 2013 the Government of Québec announced proposed changes to Québec's Mining Act, which were subsequently defeated in the Legislature. It is possible that amended changes may be proposed at some future date. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

Insurance and Uninsured Risks

The business of the Company is subject to a number of risks and hazards in general, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities and equipment, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company may maintain insurance to protect against certain risks in such amounts as it considers being reasonable, its insurance may not cover all the potential risks associated with a mining company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which it may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Environmental Risks and Hazards

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner that will require stricter standards and enforcement and involve increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining and exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in exploration expenses, capital expenditures or require abandonment or delays in development of new mining properties.

Fluctuations in Metal Prices

The price of the common shares, and the financial results and exploration, development and mining activities of the Company, may in the future be significantly and adversely affected by declines in the prices of iron ore and other metals or minerals. The prices of iron ore and other metals or minerals fluctuate widely and are affected by numerous factors beyond the control of the Company such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuations in the value of the United States dollar and other foreign currencies, global and regional supply and demand, the political and economic conditions and production costs of major mineral-producing countries throughout the world, the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market prices of iron ore or other metals or minerals could cause continued development of and commercial production from the properties in which the Company holds an interest to be impracticable. Depending on the prices of iron ore and other metals and minerals, cash flow from mining operations could not be sufficient and the Company may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's properties is dependent upon the prices of iron ore and other metals and minerals being adequate to make these properties economically viable.

In addition to adversely affecting the resource estimates of the Company and its financial condition, declining commodity prices can affect operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or interrupt operations until the reassessment can be completed.

Key Personnel

The Company is dependent upon the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

Share Price Volatility and Liquidity

Publicly quoted securities are subject to a relatively high degree of price volatility. It may be anticipated that the quoted market for our shares will be subject to market trends generally, notwithstanding any potential success of us in creating sales and revenues. In addition, our shareholders may be unable to sell significant quantities of shares into the public trading markets without a significant reduction in the price of their shares, if at all.

Forward Looking Statements

This document includes certain "Forward-Looking Statements" as that term is used in applicable securities law. All statements included herein, other than statements of historical fact, including, without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "scheduled", "believes", or variations of such words and phrases or statements that certain actions, events or results "potentially", "may", "could", "would", "might" or "will" be taken, occur or be achieved. There can be no assurance that such statements will prove to be accurate, and actual results could differ materially from those expressed or implied by such statements. Forward-looking statements are based on certain assumptions that management believes are reasonable at the time they are made. In making the forward-looking statements in this presentation, the Company has applied several material assumptions, including, but not limited to, the assumption that: (1) there being no significant disruptions affecting operations, whether due to labour/supply disruptions, damage to equipment or otherwise; (2) permitting, development, expansion and power supply proceeding on a basis consistent with the Company's current expectations; (3) certain price assumptions for iron ore; (4) prices for availability of natural gas, fuel oil, electricity, parts and equipment and other key supplies remaining consistent with current levels; (5) the accuracy of current mineral resource estimates on the Company's property; (6) labour and material costs increasing on a basis consistent with the Company's current expectations; and (7) the ability to achieve the required financing from equity markets, debt markets and/or a strategic partner/off-taker to facilitate the development and eventual construction of the Company's projects. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed under the heading "Risks and Uncertainties" in this MD&A. Such factors include, among others, risks related to the ability of the Company to obtain necessary financing and adequate insurance; the economy generally; fluctuations in the currency markets; fluctuations in the spot and forward price of iron ore or certain other commodities (e.g., diesel fuel and electricity); changes in interest rates; disruption to the credit markets and delays in obtaining financing; the possibility of cost overruns or unanticipated expenses; employee relations. Accordingly, readers are advised not to place undue reliance on Forward-Looking Statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise Forward-Looking Statements, whether as a result of new information, future events or otherwise.

Additional information relating to the Company is available on SEDAR at www.sedar.com.