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 unaudited condensed interim financial statements and related notes for the three and nine months ended September 30, 2019 and 2018, as well as the audited consolidated financial statements and related notes for the nine months ended December 31, 2018 and the year ended March 31, 2018. 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 November 21, 2019.

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 29,214 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 Preliminary Economic Assessment study (described below) and environmental assessment as well as securing a strategic partner for the Hopes Advance project.

Hopes Advance Project Update

In November 2018, the Company announced the commencement of a revised and re-scoped National Instrument 43-101 Preliminary Economic Assessment in respect of the Company's Hopes Advance Project ("Study").

The objective of the Study will be to revise the profile and production schedule of Hopes Advance in order to reduce the up-front capital required to bring the project to commercial production. Furthermore, the proposed revised production profile will assume seasonal shipping, and thus also mitigate the risk and cost of winter shipping from Ungava Bay, all while aiming to achieve similar returns on investment at current iron ore prices compared to the previous Pre-Feasibility Study from 2012.

The Study is being led by the Montreal office of BBA Engineering Ltd. ("BBA"), a Canadian consulting engineering firm with over 700 employees, who have extensive experience with iron ore projects, particularly in the Labrador Trough. Working alongside BBA is Wood (formerly, AMEC Foster Wheeler), who worked with the Company on Port related infrastructure in the Company's previous studies.

The Company expects to announce the results of the Study in the second half of 2019. 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.

Overall Performance and Results of Operations

Total assets decreased to $43,889,422 at September 30, 2019 from $43,986,486 at December 31, 2018. The most significant assets at September 30, 2019 were mineral properties of $43,199,680 (December 31, 2018: $42,581,712), and cash and cash equivalents of $635,940 (December 31, 2018: $1,358,358). The Company's working capital deficit position at September 30, 2019 was $265,928 (December 31, 2018: $734,915).

The net increase in mineral properties of $617,968 largely reflects accretion and change of estimate adjustment of the Company's advance royalty payable as well as costs associated with the Study, in addition to associated holding costs of the Company's properties.

The decrease in cash during the period of $722,417 resulted from $163,928 of interest paid on the Company's convertible debentures, with the remaining decrease in cash relating to operating cash outflow of $242,644 in respect of general and administrative costs and $315,844 cash outflow from investing activities relating to payments made in respect of work completed on the Study.

<u>Three-month period ended September 30, 2019 and 2018</u>

The Company incurred a net loss of $99,833 during the three months ended September 30, 2019 (2018 – $141,584). The most significant operating expenses incurred during the quarter were consulting and management fees of $58,750 (2018 - $58,750), wages and benefits of $23,983 (2018 - $24,420) and share based compensation of $33,932 (2018 - $nil). Consulting and management fees and wages and benefits remained consistent over the same period in the prior year. Share based compensation increased over the same period in the prior year as a result of the stock option grant which occurred in March 2019, which increased the number of options vested during the quarter. Share-based compensation represents the Black-Scholes calculated value of stock options issued to directors, officers, consultants and employees which vested during the period.

During the three months ended September 30, 2019, the Company incurred $83,204 of interest and accretion expense on the Company's convertible debentures (2018 - $28,284). Interest and accretion expense increased from the prior year as a result of the issuance of the 2018 Debentures during Q4 2018 (refer to Convertible Debenture discussion below).

Further, the Company recognized a $135,577 gain on its convertible debentures derivative liabilities caused by the decrease in fair value of the convertible debenture derivative components (2018 – gain of $700). As the conversion option of the both the 2017 and 2018 Debentures contain both a common share and a warrant, 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.

Nine-month period ended September 30, 2019 and 2018

The Company incurred a net loss of $2,107,484 during the nine months ended September 30, 2019 (2018 – $772,939). The most significant operating expenses incurred were consulting and management fees of $176,250 (2018 - $176,250), and wages and benefits of $73,572 (2018 - $80,839) and share based compensation of $159,798 (2018 - $11,413). Consulting and management fees and wages and benefits remained consistent over the same period in the prior year. Share based compensation increased over the same period in the prior year as a result of the stock option grant which occurred in March 2019, which increased the number of options vesting during the quarter. Share-based compensation represents the Black-Scholes calculated value of stock options issued to directors, officers, consultants and employees which vested during the period.

During the nine months ended September 30, 2019, the Company incurred $246,326 of interest and accretion expense on the Company's convertible debentures (2018 - $83,386). Interest and accretion expense increased from the prior year as a result of the issuance of the 2018 Debentures during Q4 2018 (refer to Convertible Debenture discussion below).

Further, the Company recognized a $1,337,295 loss on its convertible debentures derivative liabilities caused by the increase in fair value of the convertible debenture derivative components from an increase in the Company's share price (2018 - $62,998). As the conversion option of the both the 2017 and 2018 Debentures contain both a common share and a warrant, 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.

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 nine months ended September 30, 2019, the Company incurred a net loss of $2,107,484 and as at that date had an accumulated deficit of $32,645,782. The Company's working capital deficit balance at September 30, 2019 was $265,928.

Notwithstanding the private placements discussed below, 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. 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.

Convertible Debentures – 2018 private placement

On November 29, 2018, the Company completed a non-brokered financing in an aggregate amount of $1,812,500 through the issuance of convertible debentures (the "2018 Debentures"). The 2018 Debentures carry an interest rate of 8.5%, payable quarterly, with a maturity date of November 29, 2023.

The principal amount of the 2018 Debentures are convertible at any time at the election of the Company. The 2018 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 2018 Debentures is $0.05 per Unit, increasing to $0.10 per Unit for the remainder of the life of the 2018 Debentures. Each share purchase warrant entitles the holder to purchase one common share of the Company at a price of $0.05 per common share, expiring November 29, 2023. The 2018 Debentures are secured against the assets of the Company, ranking pari-passu with the 2017 Debenture holders.

The 2018 Debenture proceeds are being used to fund the Study. The proceeds will also be used to fund ongoing negotiations with potential strategic partners, general claims maintenance, and corporate and working capital purposes.

Similar to the 2017 Debentures (discussed below), the conversion option is treated as a derivative liability and fair valued each reporting period, creating an accounting unrealized gain or loss. The convertible debentures are recognized 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 inception, the Company recognized an unrealized loss in the amount of $2,202,578, which will be amortized over the life of the warrants.

Convertible Debentures – 2017 Private Placement

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.

In September 2018, there was a partial conversion of the 2017 Debentures, whereby one of the holders converted $50,000 convertible debentures into Units comprising 625,000 common shares and 625,000 warrants. The remaining principal balance outstanding on the convertible debentures at September 30, 2019 was $760,000 (December 31, 2018 - $760,000).

Off-Balance Sheet Arrangements

As at September 30, 2019, 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:

	September 30, 2019	June 30, 2019	March 31, 2019	December 31, 2018
Revenues (**Note 1**)	$ -	$ -	$ -	$ -
Net income (loss)	$ (99,833)	$ (946,570)	$ (1,061,081)	$ (651,975)
Basic and diluted loss per share	$ (0.00)	$ (0.01)	$ (0.02)	$ (0.00)

	September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Revenues (**Note 1**)	$ -	$ -	$ -	$ -
Net loss	$ (141,583)	$ 169,254	$ (654,225)	$ (173,306)
Basic and diluted loss per share	$ (0.00)	$ 0.01	$ (0.01)	$ (0.00)

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 from the quarter ended March 31, 2018 from December 31, 2017 quarter ends is a result of the Company recognizing an unrealized loss on the convertible debenture due to the fair value adjustment to the derivative liability. The net income recognized during the quarter ended June 30, 2018 is a result of the Company recognizing an unrealized gain on the convertible debenture generated from the fair value adjustment on the derivative liability. The increase in net loss from the quarter ended September 30, 2018 to June 30, 2019 is a result of the Company recognizing an unrealized loss on the 2018 convertible debentures that were issued in November 2018 due to the fair value adjustment to the derivative liability, largely driven by the increase in the Company's share price quarter over quarter. Refer to Results of Operations for the three-month period ended September 30, 2019 above for discussion of net operating loss incurred in Q3 2019.

Critical Accounting Policies and Critical Accounting Estimates

Full disclosure of the Company's accounting policies and significant accounting judgments and estimation uncertainties in accordance with IFRS can be found in Note 4 of the audited annual financial statements for the nine months ended December 31, 2018, except for the adoption of IFRS 16 – Leases, which was adopted on January 1, 2019 and discussed below.

IFRS 16 – Leases

The following lease accounting policy has been applied as of January 1, 2019 on adoption of IFRS 16. For comparative periods prior to 2019, the Company applied lease policies in accordance with IAS 17, Leases (IAS 17). Leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases were charged to the statement of loss and comprehensive loss over the period of the lease.

Under IFRS 16, at inception of a contract, the Company is required to assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company evaluates whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset. At inception, or on a reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset, which is included in property, plant and equipment, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- Fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee;
- Exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to the statement of loss and comprehensive loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to the statement of income and comprehensive income over the lease term.

There was no impact to the Company's financial statements as a result of the adoption of IFRS 16 on January 1, 2019.

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 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 September 30, 2019 and December 31, 2018 are presented below.

September 30, 2019

	Less than 1 year	1 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 349,782	$ -	$ -	$ 349,782
Due to related parties	209,167	-	-	209,167
Convertible debenture - liability component	218,663	1,415,988	1,966,563	3,601,214
Advance royalty payable	400,000	400,000	400,000	1,200,000

December 31, 2018

	Less than 1 year	1 - 3 years	4 - 5 years	Total
Accounts payable and accrued liabilities	$ 169,164	$ -	$ -	$ 169,164
Due to related parties	131,166	-	-	131,166
Convertible debenture - liability component	218,663	1,415,988	1,966,563	3,601,214
Advance royalty payable	400,000	400,000	200,000	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 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:

September 30	Vancouver office rent	NSR payments	Total commitments
2020	8,624	400,000	408,624
2021	-	200,000	200,000
Thereafter	-	600,000	600,000
	$ 8,624	$ 1,200,000	$ 1,208,624

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	Three months ended September 30, 2019	Three months ended September 30, 2018	Nine months ended September 30, 2019	Nine months ended September 30, 2018
Steven Dean	Executive Chairman and Director	Share-based payments and Directors' fees	$ 8,842	$ -	$ 41,942	$ 4,730
Bing Pan	Interim CEO	Share-based payments	5,215	-	24,655	892
Chris Batalha	CFO and Corporate Secretary	Wages, benefits, and share-based payments	20,215	15,000	69,655	31,338
Gordon Keep	Director	Share-based payments and Directors' fees	5,526	2,500	21,707	5,981
Hon. John D. Reynolds P.C.	Director	Share-based payments and Directors' fees	5,526	2,500	21,707	5,981
Cathy Chan	Director	Share-based payments and Directors' fees	5,526	2,500	21,707	2,500
Thomas Liu	Director	Share-based payments	1,989	-	9,312	-
			$ 52,837	$ 22,500	$ 210,683	$ 51,422

b) Payments for services by related parties

During three and nine months ended September 30, 2019, the Company incurred corporate consulting fees of $28,750 and $86,250, respectively (September 30, 2018 - $28,750 and $86,250, respectively), to Sirocco Advisory Services Ltd., a company controlled by Steven Dean. As at September 30, 2019, the Company owed $124,583 to Sirocco relating to unpaid consulting fees (December 31, 2018: $38,333).

During the three and nine months ended September 30, 2019, the Company incurred corporate consulting fees of $15,000 and $45,000, respectively (June 30, 2018: $15,000 and $45,000, respectively) to Sinocan Consultant Hong Kong Ltd., a company controlled by Bing Pan.

The Company is charged shared lease, overhead, and service costs by Atlantic Gold Corporation, a company with a director and officer in common, being Steven Dean and Chris Batalha. For the three and nine months ended September 30, 2019, the Company incurred $16,671 and $54,270, respectively (September 30, 2018: $18,499 and $58,960, respectively) in shared lease, overhead, and service costs.

As at September 30, 2019, the Company owed $17,504 to Atlantic Gold Corporation (December 31, 2018: $38,865). As at September 30, 2019 Atlantic Gold Corporation ceased to be a related party upon company acquisition by St Barbara Limited. Now, Artemis Gold Inc is considered a related party company with a director and officer in common, being Steven Dean and Chris Batalha.

In September 2017 and November 2018, the Company completed two non-brokered financings 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 and 2018 Debentures Held ($)
Steven Dean*	Executive Chairman	**148,000**
Gordon Keep	Director	**100,000**
Chris Batalha	CFO and Corporate Secretary	**82,000**

**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.

Subsequent Events

In October 2019, $50,000 of the 2018 Debentures were converted into units comprising 1,000,000 common shares and 1,000,000 share purchase warrants.

Outstanding Share Data

As at the date of this report, there were 70,055,849 common shares issued and outstanding.

As at the date of this report, there were 5,335,950 stock options, 1,625,000 common share purchase warrants, and 684,157 RSUs outstanding.

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 nine months ended September 30, 2019, the Company incurred a net loss of $2,107,484 and as at that date had an accumulated deficit of $32,645,782 and working capital deficit of $265,928. 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.