DELTA RESOURCES LIMITED

(formerly Golden Hope Mines Limited)
(an exploration company)

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and nine months period ended September 30, 2019 and 2018

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") of results of operations and financial condition of Delta Resources Limited (formerly Golden Hope Mines Limited) ("Delta" or "the Company") describes the operating and financial results of the Company for the three and nine months period ended September 30, 2019 and 2018. Therefore, this discussion and analysis should be read in conjunction with the unaudited condensed interim financial statements as at September 30, 2019 and notes thereto, as well as the audited consolidated financial statements and notes thereto and the MD&A for the year ended December 31, 2018.

Forward-Looking Statements

This MD&A contains forward-looking statements about the Company's future prospects, and the Company provides no assurance that actual results will meet such expectations of management. The use of any of the words "believe", "expect", "estimate", "will", "should", "intend" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes these expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward looking statements should not be unduly relied upon. The forward-looking information contained in this MD&A represents our expectations as of the date of this MD&A and, accordingly, is subject to change after such date. We expressly disclaim any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.

Date of MD&A

This MD&A was prepared using information that is current as at October 24, 2019, unless otherwise stated.

Company Overview

Delta Resources Limited is focused on growing shareholder value through the acquisition, exploration, and development of potential gold and base metal projects in Canada. Currently, Delta has three exploration projects: the Delta-1 Project in the Thunder Bay district of Ontario, the Delta-2 project in the Chibougamau Mining district of Quebec and the Bellechasse-Timmins project located in the Beauce Region of Southeastern Quebec. All projects are located in Canada. The Bellechasse-Timmins gold deposit was inherited from Golden Hope Mines Limited and is currently being evaluated by the new management of the Company for its potential. The Company is also evaluating new projects for possible acquisitions.

Summary Highlights

Golden Hope Mines Limited changed its name to Delta Resources Limited on June 28, 2019. A new management team was put in place and two new directors were elected to the Board of Directors by its shareholders. Since then, the new management has been reviewing the potential of its 100% owned Bellechasse-Timmins Gold Project but priority was given to acquiring new, high potential exploration properties in Canada.

On October 2nd, 2019, the Company acquired its Delta-1 – Eureka property. The property consists of 245 contiguous unpatented mining claims covering a total area of 4,495 hectares, which includes a new gold prospect called Eureka in the Thunder Bay Mining District of Ontario.

On October 16, 2019, the Company acquired its Delta-2 –R 14 property. The property consists of 237 contiguous mining claims (transfer in progress) covering a total area of 12,650 hectares, which includes the R-14 gold prospect, in the Chibougamau Mining District of Quebec.

During the period covered by this MD&A, the Company received $213,600 following the exercise of 1,780,000 warrants at a price of $0.12 each.

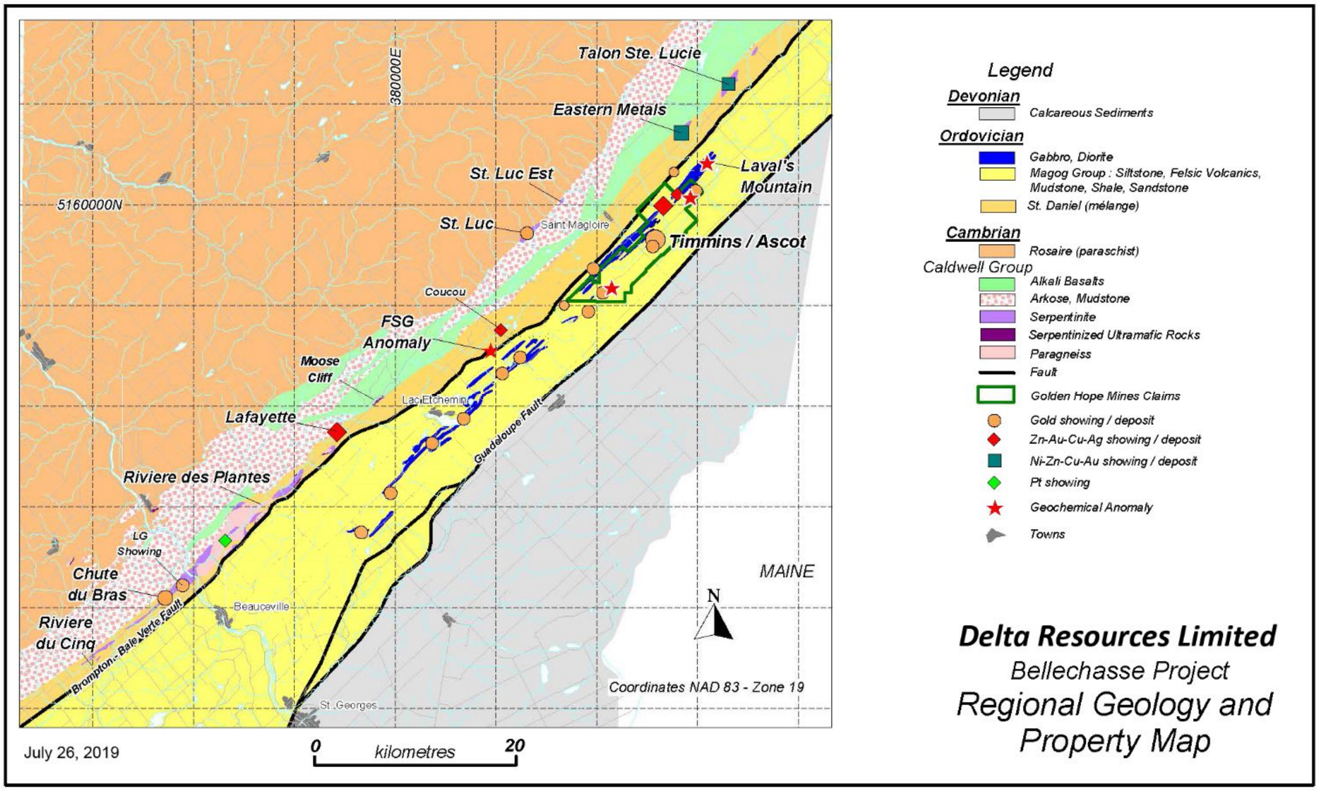
Subsequent event

In October 2019, the Company received $36,000 following the exercise of 300,000 warrants at a price of $0.12 each.

DISCUSSION OF OPERATIONS

Bellechasse property

The 100% owned Bellechasse property is located approximately 90 kilometres south east of Quebec City within the northern part of the Appalachian range of mountains. The property consists of approximately 137 claims totaling 4,989 hectares. The Quebec property covers an area of continental collision in which transform faulting is common. Locally, this collision terrain is part of the Appalachian Mountain fold belt. Widespread gold mineralization has historically been found between Bellechasse and west of the Chaudière River. Mineralization with potential economic interest is hosted in zones of fracturing and brecciation in the older intrusives or other pre-existing competent rocks in structural features related to regional trans-current/transform faults.



The Bellechasse Belt currently includes three main areas of interest:

- Bellechasse-Timmins (incl.; T1, T2, 88, and Ascot/Road Zones)
- The Beland anomaly (approx. 6.2 kms southwest of Bellechasse-Timmins)
- Champagne Zone, a partially explored gold and base metal deposit

On June 18, 2012, the Company announced its inaugural NI 43-101 resource estimate. Since the publication of the full report in August of 2012, the Company has looked at a variety of options to take the project to the next stage of development.

Bellechasse-Timmins Gold Deposit

The Bellechasse-Timmins gold zone is hosted by an early diorite intrusive emplaced in Lower Palaeozoic sediments of southeastern Quebec. Gold was first confirmed in the Bellechasse area in 1950, at which time the Ascot and Timmins 1 (T1) zones were discovered.

A third mineralized body was indicated by shallow diamond drilling in 1952 and referred to as the Timmins South Zone (now called Timmins 2 or T2). Due to thick overburden, trenching did not reach bedrock and the mineralized zone was not exposed. Little subsequent work was done until the current management and technical team began further exploration work in the fall of 2006.

The Champagne VMS

In the fall of 2011, the Company engaged Geotech Limited to conduct a VTEM of the Bellechasse Belt around the Champagne deposit. At the beginning of the 2012 exploration season, the Company drilled the historically known Champagne deposit by twinning some of the historical holes in order to confirm the resource. The results of the campaign published in April 2012 revealed that the mineralization is indeed present although the tonnage had not been confirmed. Additionally, some exploration holes were drilled in an attempt to locate another Champagne style mineralization on the "Champagne Horizon". Although the signatures were strong in the areas where exploration holes were drilled, the results from these holes were not what management was expecting. The Company is actively considering ways to advance the development of the Champagne deposit, including potentially through joint ventures.

Julian property

On July 2, 2015, the Company acquired from Michael Dehn (a former director of the Company) and two prospectors a 100% right, title and interest in 16 claims (861 hectares) located in the Bellechasse/Beauce Region of southeastern Quebec. Under the Agreement, the Company paid $1,000 in cash and issued 500,000 of the Company's common shares (valued at $210,000 based on the price on September 17, 2015 when the shares were issued).

The property was written-off during the period ended March 31, 2019.

Delta-1 / Eureka Property

On October 2, 2019 the Company signed an exclusive agreement to acquire a 100% interest in the new Eureka gold Discovery in the Thunder Bay Mining District of Ontario. The property consists of 245 contiguous unpatented mining claims covering a total area of 4,495 hectares, and is located 50 kilometres west of the city of Thunder Bay, Ontario and straddling the Trans-Canada Highway.

Under this agreement, the Company paid $25,000 in cash and issued 500,000 common shares. To fulfill its obligation, the Company will have to meet the following commitments:

<table>
<tr><th>Anniversary Date</th><th>Cash Payment</th><th>Share Payment</th><th>Work Commitment</th></tr>
<tr><td>12 months</td><td>$25,000</td><td>500,000</td><td>$200,000</td></tr>
<tr><td>24 months</td><td>$50,000</td><td>$500,000*</td><td>$500,000</td></tr>
<tr><td>36 months</td><td>$75,000</td><td>$500,000*</td><td rowspan="2">$1,000,000</td></tr>
<tr><td>48 months</td><td>$150,000</td><td>n.a.</td></tr>
</table>

* Amount payable in shares to a maximum of 500,000 shares

- The vendor holds a 1.75% NSR Royalty on the claims. Delta may buy back the first 0.75% at any time for seven years after the effective date of the agreement for $500,000 and the remaining 1% Royalty at any time after the first 0.75% is purchased for $4,000,000.
- Five legacy claims of the property are also subject to NSR Royalties ranging from 0.5% to 1% from an underlying agreement. Delta has the option to purchase 50% of this NSR for the sum of $50,000.
- The agreement also includes advanced royalty payments starting 7 years after the effective date of the agreement.

The Eureka Property is host to a new gold discovery called "EUREKA" where mechanical trenching has exposed a gold-bearing ankerite-pyrite-arsenopyrite alteration zone with a minimum strike length of 2 kilometres and with a width of up to 400 metres. This alteration zone includes two previously known gold occurrences: the Matawin (located on the property) and Bylund (400m east of the property where intercepts of 102.6 metres @ 0.32 g/t Au have been reported).

The EUREKA gold zone is located between the Bylund and Matawin occurrences and is exposed by trenching over a minimum strike length of 400m. Preliminary chip sampling at the EUREKA zone returned assays of 13.8 g/t Au over 8m, 5.5 g/t Au over 5m, 2.4 g/t over 5m, 2.2 g/t Au over 10m, 1.6 g/t Au over 12m and 1.4 g/t Au over 7m.

Delta-2 / R-14 Property

On October 16, 2019, the Company signed an exclusive agreement to acquire a 100% interest in the R-14 Gold Property in the Chibougamau Mining District of Quebec. The property consists of 237 contiguous mining claims (transfer in progress) covering a total area of 12,650 hectares, and is located 40 kilometres south-east of the city of Chibougamau, Quebec and accessed via paved Highway 167.

Under this agreement, the Company issued 1,000,000 common shares. To fulfill its obligation, the Company will have to meet the following commitments:

Anniversary Date	Cash Payment	Share Payment	Work Commitment
12 months	$25,000	800,000	$0
24 months	$50,000	800,000	$300,000
36 months	$100,000	700,000	$700,000

- The vendor holds a 2.0% NSR Royalty on the claims (except on the 41 legacy claims listed below). Delta may buy back 1.0% at any time for $1,000,000.
- 41 legacy claims are subject to a 2.0% NSR Royalty. Delta has the option to purchase 0.375% of this NSR for $250,000.

The property is host to several gold occurrences, the most important of which is the R-14 Gold Prospect where mechanical trenching has exposed a gold-bearing dike swarm within a discordant alteration halo 3 kilometres long and 1 kilometre wide. At R-14, exceptional gold values of up to 142.29 g/t Au over core length of 2.44 metres have been intersected in the early 1980's by Corner Bay Exploration (Brunelle, 1983 quoted by Faure, 2012). The property was later worked by D'Arianne Resources Inc. who also reported significant results in channel and drill samples.

The Delta exploration team has carried-out due diligence work at the property and has refined a new geological interpretation of the area which opens great exploration potential. Exploration targets at R-14 property: Magmatic-hydrothermal gold deposits associated with long-lived, syn-plutonic structures and gold-rich VMS deposits associated to a favourable stratigraphic contact occurring at the property over a strike length of over 15 kilometres.

SUMMARY OF QUARTERLY AND YEAR TO DATE RESULTS

Summary of Annual Results

The following tables set out financial performance highlights for the past three fiscal years.

	Year ended December 31, 2018	**Year ended December 31, 2017**	**Year ended December 31, 2016**
Interest income	**$0**	**$0**	$0
Operating expenses	**$251,116**	**$478,698**	$794,316
Net loss and comprehensive loss	**($251,116)**	**($478,698)**	($794,316)
Loss per share	**($0,018)**	**($0.035)**	($0.08)
Cash used in operations	**($46,283)**	**($484,428)**	($518,054)
Cash, end of year	**$67,767**	**$110,470**	$566,536
Assets	**$142,178**	**$223,132**	$675,948
Dividends	**$0**	**$0**	$0

This selected annual information should be read in conjunction with the audited financial statements filed on www.sedar.com for the year ended December 31, 2018.

RESULTS OF OPERATIONS

Results of Operations for the nine-month period ended September 30, 2019

The comments below provide an analysis of the operating results for the nine-month period ended September 30, 2019. The selected financial information shown below is taken from the condensed unaudited interim consolidated financial statements for each of the nine-month periods indicated.

The Company recorded a net loss for the nine-month period ended September 30, 2019 of $161,423 compared to a net loss of $293,857 for the nine-month period ended September 30, 2018.

FINANCIAL HIGHLIGHTS

	September 30 (9 months)	
	2019	**2018**
Revenues	$ -	$ -
Shareholders' information	$ 32,418	$ 24,490
Legal, financial and other corporate expenses	$ (28,279)	$ 144,876
Salaries and fringe benefits	$ 21,917	$ -
Travel	$ 6,725	$ 3,698
Share-based compensation	$ 86,919	$ 7,435
General administrative expenses	$ 23,477	$ 24,160
Management fees	$ (50,000)	$ 90,000
Transaction costs	$ 65,444	$ -
Exploration and evaluation expenditures	$ 1,756	$ (2,013)
Depreciation	$ 1,046	$ 1,211
	161,423	293,857
Net loss and comprehensive loss	$ (161,423)	$ (293,857)
Cash	$ 284,374	$ 88,838

Shareholders' Information

Shareholders' Information expenses consist of fees paid for website maintenance, SEDAR filings, annual meeting materials, dissemination of press releases and trade shows. For the nine-month period ended September 30, 2019, the increase of $7,928 from the previous period was mainly due to transfer agent services and annual meeting materials.

Legal, Financial and other corporate expenses

Legal, Financial and other corporate expenses were $28,279 negative for the nine-month period ended September 30, 2019, compared to $144,876 for the nine-month period ended September 30, 2018. The decrease of $173,155 from the previous period was due to a decrease in professional and consultant fees following a debt settlement agreement with creditors offset by an increase in business development.

Salaries and fringe benefits

Salaries and benefits for the nine-month period ended September 30, 2019, amounted to $21,917 (2018 - Nil). The increase was due to employment contract signed in June 2019 between the Company and André Tessier, President and Chief Executive Officer.

Share-based compensation

Share-based compensation expenses relate to stock options granted. The calculation of this non-cash expense is based on the fair value of the stock options granted, amortized over the vesting period of the option using the graded vesting method. The Company uses the Black-Scholes model to calculate the compensation expense.

There was $86,919 in share-based compensation for the nine-month period ended September 30, 2019 compared to $7,435 for the same period in 2018. The expenses represent the issuance of 1,780,000 stock options to management and the board of directors (2018-100,000).

Management fees

Included in Management fees are fees paid to the former President (now the Chairman) Frank Candido, and to, Michael Dehn, a former Director of the Company. Management Fees were $50,000 negative for the nine-month period ended September 30, 2019 compared to $90,000 for the same period in 2018. The decrease of $140,000 from the previous period was primarily due to a debt settlement agreement with the former President.

Transaction costs

Included in Transaction costs are fees incurred for the geological work done on the Eureka and R-14 properties during the due diligence.

Results of Operations for the three-month period ended September 30, 2019

The comments below provide an analysis of the operating results for the three-month period ended September 30, 2019. The selected financial information shown below is taken from the condensed unaudited interim consolidated financial statements for each of the three-month periods indicated.

The Company recorded a net loss for the three-month period ended September 30, 2019 of $223,724 compared to net loss $62,999 for the three-month period ended September 30, 2018.

FINANCIAL HIGHLIGHTS

	September 30 (3 months)	
	2019	**2018**
Revenues	**$ -**	$ -
Shareholders' information	**8,782**	2,645
Legal, financial and other corporate expenses	**22,012**	23,362
Salaries and fringe benefits	**21,917**	-
Travel	**5,748**	626
Share-based compensation	**86,919**	-
General administrative expenses	**10,295**	5,907
Management fees	-	30,000
Transaction costs	**65,444**	-
Exploration and evaluation expenditures	**2,255**	51
Depreciation	**352**	408
	223,724	**62,999**
Net loss and comprehensive loss	**$ (223,724)**	$ (62,999)
Cash	**$ 284,374**	$ 88,838

Shareholders' Information

Shareholders' Information expenses consist of fees paid for website maintenance, SEDAR filings, annual meeting materials, dissemination of press releases and trade shows. For the three-month period ended September 30, 2019, the increase of $6,137 from the previous period was mainly due transfer agent services.

Salaries and fringe benefits

Salaries and benefits for the three-month period ended September 30, 2019, amounted to $21,917 (2018 - Nil). The increase was due to employment contract signed in June 2019 between the Company and André Tessier, President and Chief Executive Officer.

Share-based compensation

Share-based compensation expenses relate to stock options granted. The calculation of this non-cash expense is based on the fair value of the stock options granted, amortized over the vesting period of the option using the graded vesting method. The Company uses the Black-Scholes model to calculate the compensation expense.

There was $86,919 share-based compensation for the nine-month period ended September 30, 2019 represent the issuance of 1,780,000 stock options to management and the board of directors.

Management fees

The $30,000 included in Management fees are fees accrued to the former President (now Chairman) Frank Candido, and to Michael Dehn, a former Director of the Company for the three-month period ended September 30, 2018. No Management fees were accrued during the three-month period ended September 30, 2019.

Transaction costs

Included in Transaction costs are fees incurred for the geological work done on the Eureka and R-14 properties during the due diligence.

The selected financial information below was taken from Delta's unaudited interim financial statements for each of the following quarters:

	Q3 September 30, 2019	Q2 June 30, 2019	Q1 March 31, 2019	Q4 December 31, 2018	Q3 September 30, 2018	Q2 June 30, 2018	Q1 March 31, 2018	Q4 December 31, 2017
Interest income	**$0**	$0	$0	$0	$0	$0	$0	$0
Operations expenses	**$223,724**	($104,259)	$41,958	($42,741)	$62,999	$127,051	$103,807	$132,239
Net income (loss) and comprehensive income (loss)	**($223,724)**	$104,259	(41,958)	$42,741	($62,999)	($127,051)	($103,807)	($132,239)
Loss per common share	**($0.011)**	($0.007)	($0.003)	$0	($0.01)	($0.009)	($0.007)	($0.01)
Cash used in operations	**($154,422)**	($16,954)	(37,969)	($21,071)	($7,852)	($12,369)	($4,991)	($129,579)
Cash, end of period	**$284,274**	$225,196	$29,798	$67,767	$88,838	$96,690	$105,479	$110,470
Assets	**$353,243**	$291,466	$107,868	$142,178	$155,748	$181,881	$200,495	$223,132
Dividends	**$0**	$0	$0	$0	$0	$0	$0	$0

LIQUIDITY AND CAPITAL RESOURCES

Financings

The Company will look to add to its treasury, whenever necessary, through additional financing efforts to continue working on its exploration program.

The Company defines capital as shareholders' equity. The Company's objectives when managing capital are to:

- ensure sufficient liquidity to support its financial obligations and execute its operating and strategic plans;
- maintain financial capacity and access to capital to support future development of the business while taking into consideration current and future industry, market and economic risks and conditions; and
- utilize short term funding sources to manage its working capital requirements.

The Company has no externally imposed restrictions on capital.

As at September 30, 2019, the Company's cash were $284,374. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. In order to continue its operations, the Company will have to find additional financing and despite the fact it has been successful in the past at raising funds, there can be no assurance the Company will be able to secure financing in the future or that these sources of funding will be available. There is a significant risk that the Company will be unable to secure further financing.

Cash Flow Information

	September 30 (9 months)	
	2019	**2018**
Operating activities	**$ (361,945)**	$ (25,212)
Investing activities	**$ -**	$ 3,580
Financing activities	**$ 578,552**	$ -
	$ 216,607	$ (21,632)
Cash	**$ 284,374**	$ 88,838

Operations Activities:

During the period ended September 30, 2019, funds used for operating activities were spent primarily on operations and promotion of the Company.

Financing Activities:

Disclosure of Outstanding Share Capital as at September 30, 2019.

(a) Share Capital

	September 30, 2019		December 31, 2018	
	Number	**Amount $**	Number	Amount $
Balance, beginning of period	**13,644,338**	**28,193,334**	13,644,338	28,193,334
Share issuance with warrants [(1)]	**6,200,000**	**172,902**	-	-
Warrants exercised [(2)]	**1,780,000**	**270,760**		
Share issue costs	**-**	**(7,048)**	-	-
Balance, end of period	**21,624,338**	**28,629,948**	13,644,338	28,193,334

[(1)] On June 10, 2019, the Company issued 6,200,000 units at a price of $0.06 per unit, for gross proceeds of $372,000. Each unit consists of one common share and one share purchase warrant. Each warrant entitles its holder to purchase one common share of the Company at $0.12 for a 36-month period. An amount of $199,098 was recorded as an increase to warrants.

[(2)] During the nine-month period ended September 30, 2019, the Company received $213,600 following the exercise of 1,780,000 warrants at a price of $0.12 each.

(b) Warrants

At September 30, 2019, the following exercisable warrants were outstanding:

Warrants	**Price**	**Expiry**
4,420,000	0.12	June 10, 2022

(c) Options

At September 30, 2019, the following exercisable stock options were outstanding:

Options	**Exercisable**	**Price**	**Expiry**
335,000	335,000	0.50	July 10, 2020
455,000	455,000	0.32	September 8, 2021
100,000	100,000	0.12	February 6, 2023
725,000	725,000	0.11	July 4, 2024
200,000	200,000	0.13	July 8, 2024
1,815,000	1,815,000		

OFF-BALANCE SHEET ARRANGEMENTS AND COMMITMENTS

The Company has no off-balance sheet arrangements.

Commitments

In September 2019, the Company signed a lease contract for its Chibougamau office, expiring in September 2020. Minimum payments, totaling $16,100, are solely comprised of payments to be made over the next 12 months.

In October 2019, the Company signed an exclusive agreement to acquire a 100% interest in the new Eureka gold Discovery in the Thunder Bay Mining District of Ontario. Under this agreement, the Company paid $25,000 in cash and issued 500,000 common shares. To fulfill its obligation, the Company will have to:

<table>
<tr><th>Anniversary Date</th><th>Cash Payment</th><th>Share Payment</th><th>Work Commitment</th></tr>
<tr><td>12 months</td><td>$25,000</td><td>500,000</td><td>$200,000</td></tr>
<tr><td>24 months</td><td>$50,000</td><td>$500,000*</td><td>$500,000</td></tr>
<tr><td>36 months</td><td>$75,000</td><td>$500,000*</td><td rowspan="2">$1,000,000</td></tr>
<tr><td>48 months</td><td>$150,000</td><td>n.a.</td></tr>
</table>

* Amount payable in shares to a maximum of 500,000 shares

- The vendor holds a 1.75% NSR Royalty on the claims. Delta may buy back the first 0.75% at any time for seven years after the effective date of the agreement for $500,000 and the remaining 1% Royalty at any time after the first 0.75% is purchased for $4,000,000.
- Five legacy claims of the property are also subject to NSR Royalties ranging from 0.5% to 1% from an underlying agreement. Delta has the option to purchase 50% of this NSR for the sum of $50,000.
- The agreement also includes advanced royalty payments starting 7 years after the effective date of the agreement.

Also, in October 2019, the Company signed an exclusive agreement to acquire a 100% interest in the R-14 Gold Property in the Chibougamau Mining District of Quebec. Under this agreement, the Company issued 1,000,000 common shares. To fulfill its obligation, the Company will have to:

Anniversary Date	Cash Payment	Share Payment	Work Commitment
12 months	$25,000	800,000	$0
24 months	$50,000	800,000	$300,000
36 months	$100,000	700,000	$700,000

- The vendor holds a 2.0% NSR Royalty on the claims (except on the 41 legacy claims listed below). Delta may buy back 1.0% at any time for $1,000,000.
- 41 legacy claims are subject to a 2.0% NSR Royalty. Delta has the option to purchase 0.375% of this NSR for $250,000.

In addition, the Company has the following royalty commitments resulting from past transactions:

* Net profit royalty of 5% on net profits greater than $250,000 for 4 claims acquired from La Société Minière Colmo.

* Net smelter royalty of 2% for 26 claims acquired from a prospector in 2010.

Under rules established by the Ministère de l'Énergie et Ressources naturelles of the province of Québec, the Company is required to spend the amount of approximately $7,628 maintain the claims on the properties in 2020, respectively.

RELATED PARTY TRANSACTIONS

During the nine-month period ended September 30, 2019, the Company didn't incur management fees ($45,000 in the nine-month period ended September 30, 2018), to 9132-8757 Quebec Inc., a company owned by Frank Candido, the former President (now Chairman) of the Company. In relation with these transactions no amount was payable as at September 30, 2019 (2018 - $90,000).

During the nine-month period ended September 30, 2019, the Company didn't incur management fees ($45,000 in the nine-month period ended September 30, 2018), to Avanti Management & Consulting Limited, a company owned by Michael Dehn, a former Director of the Company.

During the nine-month period ended September 30, 2019, the Company incurred professional fees in the amount of $18,280 ($14,415 in the nine-month period ended September 30, 2018), to Nathalie Laurin, the Chief Financial Officer of the Company. In relation with these transactions, $6,930 was payable as at September 30, 2019 (2018 - $6,473).

During the nine-month period ended September 30, 2019, the Company incurred professional fees in the amount of $4,800 and transaction costs in the amount of $25,436, to 7529449 Canada Inc., a company owned by Michel Chapdelaine, the Vice President Exploration and Chief Operating Officer of the Company. In relation with these transactions, $7,410 was payable as at September 30, 2019.

	September 30, 2019	September 30, 2018
	$	$
Salaries and fringe benefits	21,917	-
Compensation and share-based payments	86,619	7,435
	108,536	7,435

CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

When preparing its financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management. Information about critical judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

Judgments

Going concern

The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There is a material uncertainty regarding the Company's ability to continue as a going concern.

Mining properties

Even though the Company has taken steps to verify title to the mining properties in which it holds an interest, in accordance with industry practices for the current stage of exploration and evaluation of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

Impairment of non-financial assets

The Company's evaluation of the recoverable amounts with respect to non-financial assets is based on numerous assumptions and may differ significantly from actual fair values. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Company's control. This evaluation involves a comparison of the estimated recoverable amounts of non-financial assets to their carrying values.

The Company's estimates of recoverable amount are based on numerous assumptions. Those estimates may differ from actual values, and the differences may be significant and could have a material impact on the Company's financial position and results of operations. Assets are reviewed for an indication of impairment at each statement of financial position date and when there are indicators of impairment. This determination requires significant judgment. Factors which could trigger an impairment review include, but are not limited to, significant negative industry or economic trends, interruptions in exploration and evaluation activities and significant drop in commodity prices.

Identification of CGUs

CGUs are defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The classification of assets into CGUs requires significant judgement and interpretations with respect to the integration between assets, shares infrastructures, and the way in which management monitors the Company's operations.

Valuation of tax credits and credits on duties

The Company is entitled to tax credits and credits on duties on qualified mining exploration expenses incurred in the province of Québec. Management's judgement is applied in determining whether the mining exploration expenses are eligible for claiming such credits. Those benefits are recognized when the Company estimates it has reasonable assurance that the tax credits will be realized.

<u>Estimates</u>

Estimate of the fair value of share options, warrants and the volatility of the shares

The fair value of each option and warrant granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the share options and warrants at the grant date is based on the legal life of the share options and warrants and the historical exercise pattern of option and warrant holders. Management also estimates the expected forfeitures in calculating the fair value of each option. The expected volatility used to calculate the grant date fair value estimated taking into account the historical volatility of the Company's share price over the expected term of the options granted. Historical volatility is revised whenever facts and circumstances indicate that the historical volatility is no longer appropriate. Such facts and circumstances include but are not limited to the Company entering a new phase of mining activity, the development of new technologies, changes to the financial position of the Company, and when the spread between market participants volatility data, derived from the calculation of the fair value of financial instruments and equity instruments issued by the Company, is significant. If management estimates that historical volatility requires an adjustment, the Company also takes into consideration the historical volatility of comparable companies at similar stages of development as the Company as well as the volatility estimates derived from the fair value calculation of financial instruments and equity instruments in periods when this information is available.

Useful lives of property

The Company estimates the useful life of property based on the period over which the assets are expected to be available for use. The estimated useful life of property is reviewed periodically and is updated if expectations differ from previous estimates due to physical wear and tear and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful life of property is based on management's experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful life of the property would increase the recorded expenses and decrease the non-current assets. Useful life, depreciation rates and residual values are reviewed at least annually as required by IFRS.

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Income Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from an audit by taxation authorities, Where the financial outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in such determination is made.

SIGNIFICANT ACCOUNTING POLICIES

The unaudited consolidated condensed interim financial statements have been prepared following the same accounting policies used in the consolidated audited financial statements for the year ended December 31, 2018, unless otherwise specified, please refer to Note 4.

RISKS AND UNCERTAINTIES

Nature of Mineral Exploration and Development Projects

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will continue to be successful. Success in establishing reserves is a result of several factors, including the quality of management, the Company's level of geological and technical expertise, the quality of land available for exploration and other factors. Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities.

Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves. Whether a resource deposit will ultimately be commercially viable depends on several factors, including the particular attributes of the deposit such as the deposit's size; its proximity to existing infrastructure; financing costs and the prevailing prices for the applicable minerals. Development projects have no operating history upon which to base estimates of future cash operating costs.

Particularly for development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual cash operating costs and economic returns could differ significantly from those estimated for a project before production. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur. The Company's business of exploring for mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

There can be no assurance that any funding required by the Company will become available to it, and if so, that it will be offered on reasonable terms, or that the Company will be able to secure such funding through third party financing or cost sharing arrangements. Furthermore, there is no assurance that the Company will be able to secure new mineral properties or projects, with or without the Share Consolidation, or that they can be secured on competitive terms.

Disclosure controls and procedures

Based on continual evaluations of the Company's disclosure controls and procedures, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of September 30, 2019, the design and operation of these disclosure controls and procedures are effective at the reasonable assurance level to ensure that material information relating to the Company would be made known to them by others within the entity, particularly during the period in which the MD&A and the financial statements contained in this report were being prepared.

Internal controls over financial reporting

The Company's Chief Executive Officer and Chief Financial Officer have designed, or have caused to be designed under their supervision, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. The Chief executive Officer and Chief Financial Officer concluded that there has been no change in the Company's internal control over financial reporting during the period ended September 30 2019, that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.