



Management's Discussion and Analysis
of the Financial Condition and Results of Operations
Three and Nine Months Ended October 31, 2018

December 19, 2018

The following discussion of financial performance and condition should be read in conjunction with the unaudited condensed interim financial statements of Canadian Orebodies Inc. (the “Company”) for the nine months ended October 31, 2018 and the audited financial statements for the year ended January 31, 2018 and the notes thereto, that have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All dollar amounts are expressed in Canadian dollars unless otherwise indicated. This report which is dated December 19, 2018 has been approved by the Board of Directors and the Company’s other public filings can be reviewed on the SEDAR website. (www.sedar.com).

CAUTIONARY NOTE

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

TECHNICAL INFORMATION

The "Qualified Person" under the guidelines of National Instrument 43-101 of the Canadian Securities Administrators (“NI 43-101”) for the Company’s exploration projects in the following discussion and analysis is Mr. Quentin Yarie, P.Geo., a Registered Professional Geologist of Ontario, and a consultant to the Company. The technical information concerning such properties contained herein has been reviewed by Mr. Yarie.

Corporate Information

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (of Alberta) on January 28, 2008. On July 21, 2008, the Company was authorized to continue its operations from the jurisdiction of Alberta to Ontario. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts expended on the mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development and upon future profitable production or proceeds from disposition of such properties.

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

Overall Performance

As at October 31, 2018, the Company had assets of \$3,022,243 and a net equity position of \$2,472,807. This compares with assets of \$2,505,255 and a net equity position of \$2,449,396 at January 31, 2018.

Review of Operations

Recent Activity

On February 20, 2018, the Company announced the acquisition of the Goodchild Lake property which covers a strategic and highly prospective land holding in the middle of the Company's 100% owned Black Raven Property. The Goodchild Lake Property consists of 25 claim units totaling approximately 400 hectares, increasing the Company's land holding in the immediate area to over 20,000 hectares. The Company purchased the claims from the court-appointed receiver of Century Mining Corporation ("Century") for a cash payment of \$40,000, the assumption of Century's three percent (3%) net smelter returns royalty obligations in respect of the Goodchild Lake Property and the payment of a portion of the receiver's expenses associated with the transaction. In connection with the purchase, Orebodies also entered into an agreement with Teck Resources Limited ("Teck") to terminate certain rights Teck had in relation to the Goodchild Lake Property in exchange for the granting to Teck of a one-half of one percent (0.5%) net smelter returns royalty in respect of the Goodchild Lake Property. The Company also entered into an agreement with the existing net smelter returns royalty holders on the Goodchild Lake Property to vary the terms on which the royalty may be bought down. In exchange for the issuance of 40,000 shares of the Company, Canadian Orebodies has obtained the right to purchase up to two-thirds of the royalty for \$1,500,000.

On March 1, 2018, the Company announced results from the fall 2017 Black Raven prospecting program and the discovery of multiple high grade gold bearing vein structures. Initial prospecting and sampling carried out on the Black Raven Property uncovered new gold bearing veins either in outcrop or sub-cropping that are spatially associated with a N110E trending structural corridor bounded by two regional shear zones. The gold bearing structure has been sampled on a limited basis over 8 kilometres and has produced a significant amount of notable showings including 109.0 g/t Au, 46.8 g/t Au, 15.0 g/t Au, 14.7 g/t Au, 11.9 g/t Au, 11.6 g/t Au, 9.7 g/t Au and 7.8 g/t Au.

On May 14, 2018, the Company announced the commencement of a High Resolution Tri-Axial Magnetic Airborne Survey being flown over the northern portion of the Company's Black Raven Property by Scott Hogg & Associates Ltd. of Toronto, Ontario. The airborne survey, consisting of approximately 800 line kilometres, will cover the area surrounding the Beggs Lake Stock, where multiple new high grade gold occurrences were discovered last year.

On June 7, 2018, the Company commenced field work at the Wire Lake Project, which includes the Black Raven, Goodchild, Sprucejack, and Wire Lake properties. In addition, the Company announced it was undertaking a non-brokered private placement through the sale of flow-through shares of the Company at a price of \$0.335 per flow-through share.

On June 15, 2018, the Company closed the first tranche of a non-brokered private placement raising gross proceeds of \$1,689,250 through the sale of 5,042,537 flow-through shares of the Company at a price of \$0.335 per flow-through share. The Company paid cash finders' fees of \$45,120 and issued 152,552 finders warrants on the closing of the first tranche. Each finders warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.335 per share for a period of 18 months from the date of issuance.

On July 4, 2018, the Company closed the second and final tranche of a non-brokered private placement raising gross proceeds of \$372,185 through the sale of 1,111,000 FT Shares of the Company at a price of \$0.335 per FT Share. The Company paid cash finders' fees of \$14,918 and issued 62,160 finders warrants on the closing of the final tranche.

On August 16, 2018, the Company completed the acquisition of the "Goodchild Lake" mining property (the "Benton Property") from Benton Resources Inc. ("Benton"). The Benton Property consists of 31 claim cells totaling approximately 500 hectares, and covers a prospective trend adjacent to the northwest portion of the Company's 100% owned Black Raven Property. As consideration for the purchase, the Company issued Benton 100,000 common shares in the capital stock of the Company valued at \$27,000 and granted Benton a 1.5% net smelter returns royalty ("NSR"). The Company will have the option to buy-down 50% of the NSR at any time for the sum of \$750,000.

On September 19, 2018, the Company announced that results of limited check assaying using metallic screen fire assay of historic intercepts from the Super G Vein have significantly increased gold grades by an average of 31%, based on 9 samples grading greater than 1.00 g/t Au, including one interval in historical drill hole BR-12-18 which was upgraded from 14.10 g/t Au over 0.38 meters to 23.90 g/t Au over 0.38 meters, representing a 70% increase.

On December 11, 2018, the Company announced the core assays from its fall drill program at the Wire Lake Project, which comprised thirteen holes totaling 2098.3 metres. The drill program tested three areas on the Black Raven property including Super G, North Ridge, and Contact Lake, as well as three separate areas on the Wire Lake property: Kakeeway Zone, Lucky Seven and the West Zone. Hole BR-2018-001 intersected 19.1 g/t Au over 2.0 metres in the Markes structure of the Smoke Lake Gold System. Hole BR-2018-002 contains 133.2 g/t Au over 2.0 metres, including 443.0 g/t Au over 0.6 metre in the Super G vein of the Smoke Lake Gold System, which represents the highest-grade drill result on the property to date.

Portfolio of Properties

Exploration Expenditures by Property

During the nine months ended October 31, 2018, the Company incurred a total of \$1,579,722 in exploration expenditures.

The majority of the exploration expenditures were spent on the Wire Lake and Black Raven properties, including \$418,750 in transportation and fuel for helicopter support, \$329,813 in geological and field work, \$219,120 in drilling costs, \$219,100 in acquisition and staking costs, \$189,774 in camp and equipment costs, \$57,800 for the airborne magnetic geophysical survey, and \$138,962 in assays, consulting and assorted other costs.

At the Hemlo North Limb project, \$2,725 was incurred for the storage of drill core.

A complete breakdown of the exploration expenditures by project and category is provided below:

Property	Hemlo North Limb		Wire Lake & Black Raven		Belcher Islands Iron		Other Properties		Total	
	01-Feb-2018	01-Feb-2017	01-Feb-2018	01-Feb-2017	01-Feb-2018	01-Feb-2017	01-Feb-2018	01-Feb-2017	01-Feb-2018	01-Feb-2017
Period beginning	31-Oct-2018	31-Jan-2018	31-Oct-2018	31-Jan-2018	31-Oct-2018	31-Jan-2018	31-Oct-2018	31-Jan-2018	31-Oct-2018	31-Jan-2018
Balance, beginning of period	\$ 929,602	\$ 487,050	\$ 3,092,961	\$ 187,952	\$ 14,204,842	\$ 14,201,094	\$ 500	\$ 882,034	\$ 18,227,905	\$ 15,758,130
Acquisition, Staking & Options	-	-	219,100	890,117	3,678	3,748	-	-	222,778	893,865
Assays & Sampling	-	51,439	61,925	82,106	-	-	-	-	61,925	133,545
Camp Costs & Equipment	2,725	24,074	189,774	295,184	-	-	-	-	192,499	319,258
Consulting	-	19,057	73,702	151,212	-	-	-	-	73,702	170,269
Drilling	-	161,900	219,120	308,707	-	-	-	-	219,120	470,607
Geology & Field Work	-	101,922	329,813	490,238	-	-	-	-	329,813	592,160
Geophysical	-	50,179	57,800	175,610	-	-	-	-	57,800	225,789
Permitting	-	750	3,335	7,050	-	-	-	-	3,335	7,800
Transportation & Fuel	-	33,231	418,750	504,785	-	-	-	-	418,750	538,016
Property Sales/Options	-	-	-	-	-	-	-	(150,000)	-	(150,000)
Disposals	-	-	-	-	-	-	(500)	(731,534)	(500)	(731,534)
Total for period	2,725	442,552	1,573,319	2,905,009	3,678	3,748	(500)	(881,534)	1,579,222	2,469,775
Balance, end of period	\$ 932,327	\$ 929,602	\$ 4,666,280	\$ 3,092,961	\$ 14,208,520	\$ 14,204,842	\$ -	\$ 500	\$ 19,807,127	\$ 18,227,905

Hemlo North Limb

On May 24, 2016, the Company purchased a 100% interest in 135 claim units comprising 2,160 hectares approximately 40 kilometers northeast of Marathon, Ontario. As consideration, the Company paid a total of \$25,000 in cash and issued 125,000 common shares valued at \$25,000. In addition, the vendors retain a 1% NSR on the purchased claims. In addition to the purchased claims, the Company staked 303 claim units totaling 4,848 hectares. The North Limb property is located 17 kilometres northeast of the Williams Mine operated by Barrick Gold Corporation at their Hemlo property.

Highlights from the 2016 prospecting program carried out by the Company on the North Limb Project included the discovery of a new gold occurrence (the “Petrant Lake Occurrence”). Limited sampling returned two strongly anomalous gold values of 1.74 g/t Au and 1.64 g/t Au located approximately 160 metres apart from each other¹. The samples are spatially associated with one of the priority airborne EM anomalies identified from the 2016 VTEM Max survey the Company flew over the North Limb Property.

¹ Readers are cautioned that grab samples are selective by nature. The grades and mineralization present are unlikely to represent future average grades on the property.

In late 2016, the Company completed an 823 line kilometre airborne VTEM Max geophysical survey over the North Limb Property. The survey data has generated several new high priority drill targets, including one associated with the Petrant Lake Occurrence. In total, 10 targets generated from the survey were submitted to Geotech Ltd. for plate modeling.

Within the North Limb Property is an area covering 78 claim units referred to as “the Tongue”. The Company’s interest in the Tongue lies in the belief that it is interpreted to be directly up-ice from the angular float of mafic volcanic material found to the southwest in 1994 that assayed up to 16.2 g/t Au, the source of which has never been located.

In February 2017, the Company completed a 15 kilometre induced polarization (I.P.) survey on the Tongue which outlined 4 high priority targets.

On June 19, 2017, the Company announced the completion of the initial phase of drilling on the North Limb Property, which entailed 7 broadly spaced drill holes totaling 1,423 metres. These drill holes tested a variety of individual targets concentrated within the western half of the Property. No significant gold mineralization was encountered. Due to wet ground conditions during spring break-up, the Company elected to complete the remainder of the proposed drill holes on the eastern portion of the North Limb Property at a later date.

Wire Lake Project

On October 7, 2016, the Company entered into an option agreement to acquire a 100% interest in 251 claim units covering approximately 4,047 hectares that are located in the Hemlo greenstone belt (the “Wire Lake Property”). On signing, the Company paid \$40,000 in cash and issued 78,125 common shares valued at \$25,000. The option agreement calls for the Company to make additional cash payments to the vendor totaling \$550,000 over the following five anniversary dates of the option agreement as detailed below:

- (i) 2017 - \$100,000; (paid)
- (ii) 2018 - \$100,000; (paid)
- (iii) 2019 - \$100,000;
- (iv) 2020 - \$150,000; and
- (v) 2021 - \$100,000.

Upon completion of the option agreement, the Company will grant the vendor a 2% NSR royalty, one-half of which may be bought back for a lump sum payment of \$1,000,000.

Through staking, the Company has added an additional 455 claim units, bringing the entire property to over 11,300 hectares. The Wire Lake Property lies 29 kilometres to the northwest of the Williams Mine and 40 kilometres to the southwest of the past producing base metal mines near Manitouwadge.

Gold was first discovered on the Wire Lake Property in 1986 and the property was explored by junior companies until 1993. Since that time the property had been dormant pending the outcome of litigation which has now been resolved. The Company’s exploration program on the property in 2016 was the first in over 20 years. Previous work identified a gold bearing zone (the “Wire Lake Gold Zone”) over a 2,300 metre strike length that remains open in both directions and to depth. Mineralized zones containing anomalous gold range in thickness from a few metres to in excess of 70 metres in width and with few exceptions the historic drilling has tested the main Wire Lake Gold Zone to a depth of less than 150 metres. The Wire Lake Gold Zone is characterized by moderate to intense alteration (silicification, carbonatization, biotitization and sericitization) within predominantly mafic volcanics. Sulphide content

(pyrrhotite, pyrite, +/- arsenopyrite and sphalerite) usually ranges from 1-3% but can locally be up to 10%. Visible gold has been rarely observed, and where it does occur it is usually associated with quartz stringers and veinlets. Historically, only approximately 15% of the property had been systematically explored.

During the fall of 2016, a reconnaissance prospecting program was successful in tracing out the Wire Lake Gold Zone over a strike length of 2 kilometres prior to running out of field days due to the onset of winter weather. Of the 26 samples collected, 9 assayed greater than 1.00 g/t Au, and 14 assayed greater than 0.50 g/t Au, with values ranging from nil up to 6.76 g/t Au. Additionally, the Company completed a 620 line kilometre airborne Mag & VLF geophysical survey over the property.

During May 2017, the Company completed a 34 line kilometre induced polarization (“IP”) survey on the Wire Lake Property. The current grid covers the known 2,300 metre Wire Lake Gold Zone and extends the historical survey area 300 metres along strike to the north and south. The IP survey identified numerous priority targets for follow up work.

In June 2017, the Company completed the installation of a 24-person camp at Wire Lake, which was used for much of the year. An initial phase of diamond drilling began in July, with the objective of better defining and expanding the known Wire Lake Gold Zone through testing a number of infill and step-out targets along strike.

Highlights from the 2017 drill program include:

- 2.6 g/t Au over 18.7 metres (2.0 g/t Au cut to 31.1 g/t) including a 0.5 metre section containing several small specks of visible gold which assayed 57.1 g/t Au in WL-2017-001;
- 1.4 g/t Au over 13.0 metres and 0.8 g/t Au over 28.0 metres (including 1.6 g/t Au over 10.6 metres) in WL-2017-002;
- 1.4 g/t Au over 32.4 metres including 4.2 g/t Au over 5.0 metres in WL-2017-011;
- 1.4 g/t Au over 18.8 metres, including 5.3 g/t Au over 3.1 metres in WL-2017-013;
- 1.1 g/t Au over 31.7 metres including 1.6 g/t Au over 5.4 metres and 2.0 g/t Au over 5.8 metres in WL-2017-021; and
- 1.4 g/t Au over 18.0 metres in WL-2017-020.

On December 13, 2017, the Company announced the results from the fall prospecting program at Wire Lake and the discovery of a new gold zone that potentially extends the Wire Lake Gold Zone between 500 and 700 metres to the south. The Company’s geological teams were successful in outlining an 800 square metre area hosting gold and pyrite-pyrrhotite mineralization in altered mafic volcanics (biotite, silicification). Assays from fifteen grab samples taken from this area averaged 1.92 g/t Au. Of significance is that the four samples taken the furthest east returned 10.4 g/t Au, 6.6 g/t Au, 3.6 g/t Au and 1.1 g/t Au over a 180 metre strike length. The zone remains open to the east and along strike.

A map of the 2017 Wire Lake prospecting program is available at:

https://canadianorebodies.com/site/assets/files/2011/wire_lake_grabs_-_dec_2017.pdf

Figure 1: Plan map of 2017 drill hole locations

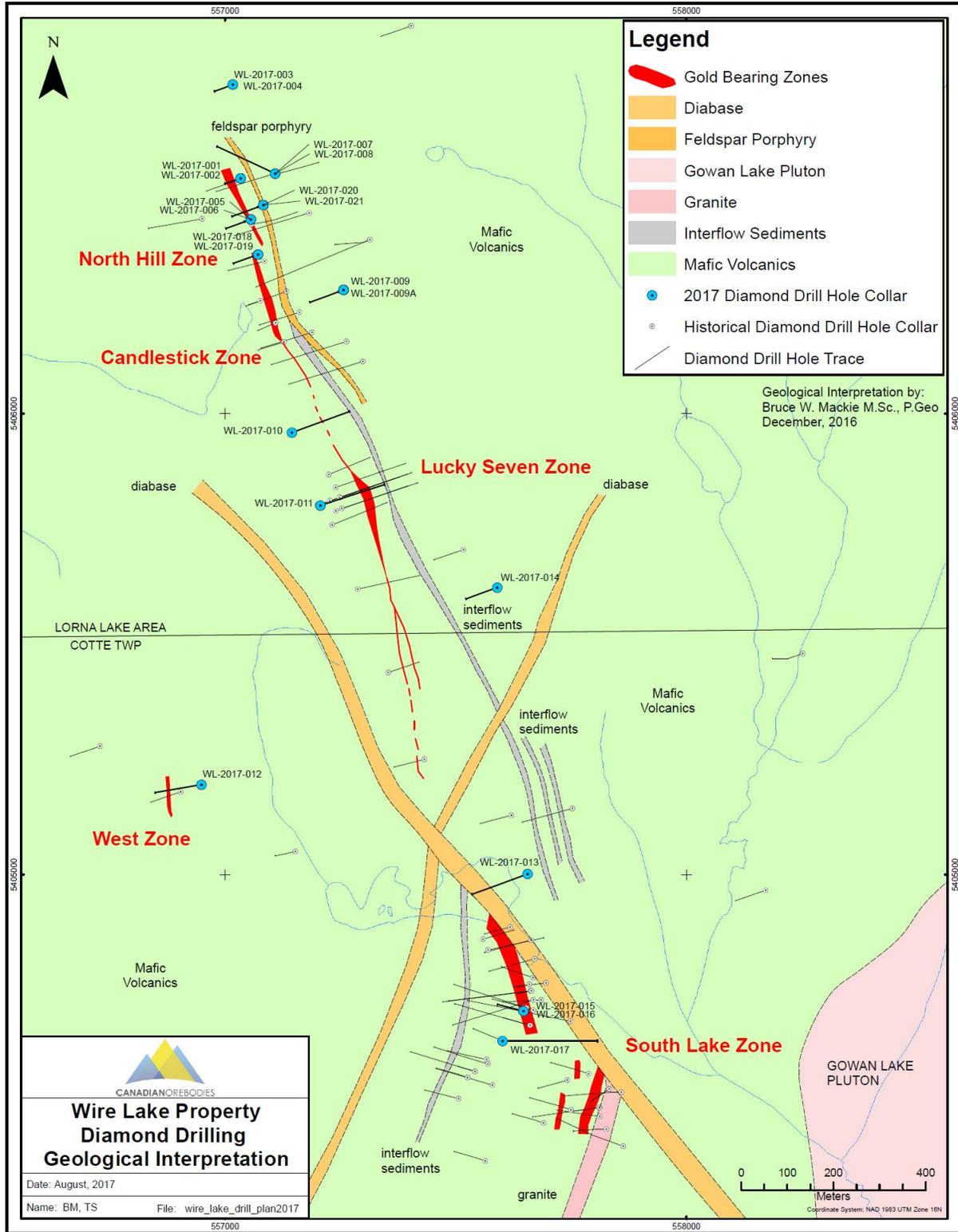


Table 1: Complete 2017 Wire Lake Drill Results

Hole	From	To	Interval*	Au (g/t)	Au (g/t)
	(m)	(m)	(m)	uncut	cut to 31.1 g/t
WL-2017-01	8.3	27.0	18.7	2.6	2.0
including	21.8	23.3	1.5	21.3	12.7
including	21.8	22.3	0.5	57.1	31.1
WL-2017-02	14.4	27.4	13.0	1.4	-
and	33.4	61.4	28.0	0.8	-
including	36.4	47.0	10.6	1.6	-
WL-2017-03	-	-	-	NSA	-
WL-2017-04	-	-	-	NSA	-
WL-2017-05	21.5	39.9	18.4	1.1	-
WL-2017-06	31.6	32.6	1.0	1.5	-
and	35.0	36.8	1.8	0.9	-
and	41.0	48.1	7.1	1.3	-
WL-2017-07	96.2	102.6	6.4	0.9	-
and	117.0	129.0	12.0	0.9	-
and	139.0	144.0	5.0	0.6	-
WL-2017-008**	190.0	191.0	1.0	1.6	-
WL-2017-009A	226.4	227.4	1.0	0.5	-
WL-2017-010	127.3	128.3	1.0	0.5	-
and	155.2	158.2	3.0	0.7	-
and	161.2	166.5	5.3	0.7	-
and	187.3	192.0	4.7	2.7	-
and	204.5	207	2.5	0.5	-
WL-2017-011	99.9	102.0	2.1	0.5	-
and	108.5	111.2	2.7	0.6	-
and	127.0	133.0	6.0	1.7	-
and	155.0	187.4	32.4	1.4	-
including	180.4	185.4	5.0	4.2	-
and	190.9	191.9	1.0	0.8	-
and	198.0	201.0	3.0	0.5	-
WL-2017-012	123.4	125.6	2.2	0.7	-
WL-2017-013	69.8	88.6	18.8	1.4	-
including	69.8	72.9	3.1	5.3	-
and	94.3	95.3	1.0	0.5	-
and	105.1	106.7	1.6	0.6	-
and	110.3	111.0	0.7	0.6	-
and	113.3	114.3	1.0	0.7	-
WL-2017-014	-	-	-	NSA	-
WL-2017-015	3.9	16.6	12.7	1.1	-
and	19.5	20.5	1.0	0.5	-

and	25.2	26.2	1.0	0.7	-
and	27.8	38.7	10.9	0.8	-
and	74.1	74.9	0.8	0.8	-
WL-2017-016	6.4	8.5	2.1	0.8	-
and	10.5	15.0	4.5	1.3	-
and	22.0	36.0	14.0	1.1	-
and	44.1	44.9	0.8	1.2	-
and	48.7	56.0	7.3	0.9	-
and	59.4	60.0	0.6	1.9	-
and	61.9	64.7	2.8	0.8	-
WL-2017-017	150.0	152.0	2.0	0.8	-
and	168.6	172.9	4.3	0.8	-
and	243.3	252.5	9.2	0.5	-
and	266.5	270.5	4.0	0.6	-
WL-2017-018	15.1	21.5	6.4	1.2	-
and	26.0	27.0	1.0	1.3	-
and	28.5	29.1	0.6	1.3	-
WL-2017-019	22.1	27.5	5.4	1.5	-
and	33.4	46.2	12.8	1.3	-
and	56.9	59.9	3.0	1.8	-
and	87.0	89.0	2.0	0.8	-
WL-2017-020	51.0	69.0	18.0	1.4	-
WL-2017-021	67.3	99.0	31.7	1.1	-
including	68.3	73.7	5.4	1.6	-
including	93.2	99	5.8	2.0	-

*True widths can not be estimated at this time

**Dyked out

Highlights from the 2018 Exploration Program at Wire Lake

Three diamond drill holes totaling 657.0 metres and targeting the Kakeeway and Lucky Seven zones were completed in the Wire Lake Gold System (“WLGS”).

- Drilling in the Kakeeway Zone suggest an additional 525 metres strike-length extension to the Wire Lake Gold System;
- Drilling in the Lucky Seven Zone confirmed the extension of the WLGS to depth to at least ~300.0 metres down down-dip and that the mineralized system remains open to depth;
- Subsidiary zones of mineralization discovered in the footwall and hanging wall of the main zone of mineralization forming the Wire Lake Gold System.

Please see the Wire Lake project page on the Company’s website for detailed descriptions of each drill hole, available at: <https://www.canadianorebodies.com/projects/hemlo-wire-lake/overview/>

Black Raven Property

On April 23, 2017, the Company entered into an acquisition agreement (the "Acquisition Agreement") with StrikePoint Gold Inc. ("StrikePoint") to acquire a 100% interest in 33 mineral claims (the "Black Raven Property") located adjacent to the Company's Wire Lake Property. Pursuant to the Acquisition Agreement, the Company paid \$15,000 cash on signing, and issued 1,250,000 common shares valued at \$587,500. Additionally, the Company issued 250,000 share purchase warrants, valued at \$40,025, entitling StrikePoint to acquire up to 250,000 common shares at a price of \$0.63 per share for a period of 12 months.

In conjunction with the Acquisition Agreement, the Company executed a termination and assumption agreement (the "Termination and Assumption Agreement") with the underlying optionors of the Black Raven Property in order to terminate the underlying option agreement, discharge a future milestone payment and assume the underlying royalty obligations. The Termination and Assumption Agreement called for the Company to issue 200,000 common shares on signing to the Optionors, valued at \$94,000, and assume a 2.5% net smelter return ("NSR") royalty. The royalty agreement provides that 1.5% of the NSR royalty may be bought back by the Company at any time upon payment of \$1,500,000, or in increments of 0.5% NSR royalty for \$500,000 each.

The Black Raven Property consists of 33 mineral claims totaling 415 claim units that cover approximately 6,640 hectares located in the northwest portion of the Hemlo Greenstone Belt. The Black Raven Property is contiguous to the western and northern borders of the Company's Wire Lake Property. The Company subsequently staked an additional 305 claim units totaling 4,960 hectares.

In addition to covering the extension of the Wire Lake gold trend, the Black Raven Property contains several gold and gold-zinc prospects and occurrences, including the Super G Prospect, the Kurt Kuhner Occurrence, as well as the Beaver Pond Boulder Train and Crocker Float.

The Super G Prospect was discovered by Hemlo Gold Mines Inc. in 1993. High-grade visible-gold bearing, quartz vein float boulders on the north shore of Smoke Lake returned grab samples assaying up to 32.3 g/t Au. Follow-up work led to the discovery of surface samples which produced bonanza grades up to 846.40 g/t Au and 570.00 g/t Au. Trenching and drilling outlined a narrow but locally, high-grade quartz vein system over strike length of 400 metres to a depth of 130 metres. The Super G Prospect remains open along strike and to depth. Drilling by Entourage Metals Ltd. in 2011-12 returned assay results of 44.57 g/t Au (uncut) over a drilled width of 2.38 metres. In 2018, the Company performed limited check assaying using metallic screen fire assay of historic intercepts from the Super G Vein. To date, this program has significantly increased gold grades by an average of 31%, based on 9 samples grading greater than 1.00 g/t Au, including one interval in historical drill hole BR-12-18 which was upgraded from 14.10 g/t Au over 0.38 meters to 23.90 g/t Au over 0.38 meters (70% increase).

The Kurt Kuhner Gold-Zinc Occurrence was discovered by Kerr Addison Mines Ltd. in 1971. Four diamond drill holes totaling 86.7 metres were drilled. Assay results included 2.74 g/t Au and 1.16% Zn over 5.55 metres from KP-71-5.

The Beaver Pond Boulder Train is located east of Smoke Lake and has been traced by prospecting for over 600 metres. The boulder train consists of angular syenitic-monzonitic material containing quartz veinlets and stockworks with 1-2% finely disseminated pyrite. Historic grab samples have returned results up to 47.66 g/t Au.

The Crocker Float is located approximately 270 metres north of Smoke Lake. Unlike the float in the Beaver Pond Boulder Train, the Crocker Float is composed of granodiorite crosscut by malachite stained quartz veinlets and veins containing up to 5% pyrite +/- chalcopyrite. Two historic samples taken from the boulder returned bonanza grades of 312.90 and 95.31 g/t Au, and 70.70 and 10.70 g/t Ag.

Highlights from the 2017 Exploration Program at Black Raven

ABC Occurrence: Discovery of high grade quartz sub-cropping float over a 50 square metre area near Roccian Lake containing 2-3% pyrite, +/- galena and locally fine specks of visible gold which assayed up to 109.0 g/t Au. Host rocks were highly silicified tonalite, of the Beggs Lake Stock, that typically displayed weak to moderate quartz-carbonate alteration.

Gold Shore: A series of flat lying, en-echelon quartz veins also hosted by the Beggs Lake Stock, located 300 metres southwest of the above high grade samples. Assays returned results of up to 11.6 g/t Au. This occurrence consists of narrow, stacked ~30 degree dipping quartz veins containing 1-4% pyrite within hematized tonalite of the Beggs Lake Stock. To date the vein system has been traced over a 16 metre strike length.

North Ridge Zone: Numerous, low grade (maximum 5.1 g/t Au), north to northeast trending quartz tourmaline vein/vein systems near the northern contact of the Beggs Lake Stock were discovered. Tourmaline occurs as disseminations, blebs to semi-massive to massive aggregates within the vein systems and wallrock.

Tibia (Lucky Lake) Occurrence: The Tibia (Lucky Lake) Occurrence where quartz veins, containing 1-2% pyrite, +/- chalcopyrite, galena assayed up to 14.7 g/t Au. The Lucky Lake Occurrence is located approximately 1,800 metres east southeast along the mineralized corridor from the ABC and Gold Shore discoveries near Roccian Lake.

Contact Lake Prospect: The Contact Lake Prospect is located approximately 8 kilometres east southeast of Roccian Lake along trend near the contact zone between supracrustal rocks of the Hemlo greenstone belt and the Black Pic Batholith. The occurrence is poorly understood as only one day of reconnaissance prospecting was carried out in the area. North to northeast trending veins were noted along a creek bed within a mafic body in the batholith that contained trace to 1% pyrite/chalcopyrite and galena. Grab sampling results included assayed up to 11.9 g/t Au.

A total of 651 samples were collected along the trend, with an overall average of 0.467 g/t Au (uncapped), and 11 samples grading greater than 5.0 g/t Au. The structure remains open along strike to the east and west.

Highlights from the 2018 Exploration Program at Black Raven

Five diamond drill holes totaling 785.3 metres were drilled in the Smoke Lake area to target the Super G vein. The results of the 2018 drilling suggested that the Super G vein is part of the much larger mineralized system referred to as the Smoke Lake Gold System (“SLGS”). From the integration of the historic and the 2018 drilling results, the SLGS is interpreted as an anastomosed network of mineralized structures in which gold mineralization is associated with mm-wide to cm-wide quartz stringers and veins with haloes of disseminated sulfides. Additional drilling is however necessary to confirm the interpreted geometry of the SLGS. 2018 drilling in the Super G structure suggests a 170m down plunge continuity of high-grade mineralization that remains open at depth.

Narrow higher-grade zones enveloped by lower grade mineralization are observed in the main mineralized structures composing the SLGS. The SLGS has been so far defined by drilling over a strike length of >400 metres and to a vertical depth of 130 metres. The vein system remains open in both directions along strike and to depth. Surface mapping of gold mineralization in the area also suggests that additional mineralized structures are likely present in the hanging wall and footwall of the of the SLGS.

The SLGS was targeted based on the previous work of Freewest Resources Canada Ltd. in 2003 and diamond drilling by Entourage Metals Ltd. in 2011-12. Both exploration programs encountered multiple zones of mineralization in the area and the best diamond drilling intersections were obtained in the Super G vein, which returned assay results of 44.5 g/t Au (uncut) over a drilled width of 2.4 metres (BR-11-04¹) and 19.2 g/t Au over 2.0 metres (BR-11-01¹). From the 2018 drilling, the high-grade intersection in BR-2018-002 suggests an up-plunge continuity of the zone of high-grade mineralization between BR-11-01 and BR-11-04, whereas BR-2018-003 shows that the zone of mineralization remains open down-plunge.

Hole BR-2018-001 intersected 19.1 g/t Au over 2.0 metres in the Markes structure of the Smoke Lake Gold System. Hole BR-2018-002 contains 133.2 g/t Au over 2.0 metres, including 443.0 g/t Au over 0.6 metre in the Super G vein of the Smoke Lake Gold System, which represents the highest-grade drill result on the property to date.

Table 2: Significant intersections in the Smoke Lake Gold System

Hole	From	To	Interval	Au (g/t)	Visible	Structure
	(m)	(m)	(m)	uncut	gold	in SLGS
BR-2018-001	46.8	48.8	2.0	19.1	-	Markes
incl.	46.8	47.8	1.0	37.2	-	
and	146.0	148.0	2.0	4.5	-	Discovery
incl.	147.5	148.0	0.5	14.5	-	
BR-2018-002	132.0	138.3	6.3	0.6	-	Discovery
incl.	137.1	138.3	1.2	2.4	-	
and	141.3	143.3	2.0	133.2	-	Super G
incl.	142.1	142.7	0.6	443.0	VG	
BR-2018-003	107.0	109.5	2.5	0.6	-	Discovery
incl.	108.0	108.5	0.5	7.0	-	
and	120.1	122.1	2.0	8.7	-	Discovery
incl.	120.1	120.6	0.5	34.6	VG	
and	130.9	132.9	2.0	2.7	-	Super G
incl.	130.9	131.5	0.6	9.1	VG	
BR-2018-004	37.4	39.7	2.0	2.2	-	Discovery
incl.	38.3	38.7	0.4	5.0	VG	
and	54.6	56.9	2.3	1.8	-	Super G
incl.	55.6	56.0	0.4	7.7	-	
BR-2018-005	no significant results					Super G

**Assay results reported over intersection length. Additional drilling is required to estimate the true width of the mineralized structures forming the Smoke Lake Gold System. Significant intervals reported over core lengths of at least 2.0 metres.*

Figure 2: Plan Map of 2018 Drilling at Smoke Lake Gold System

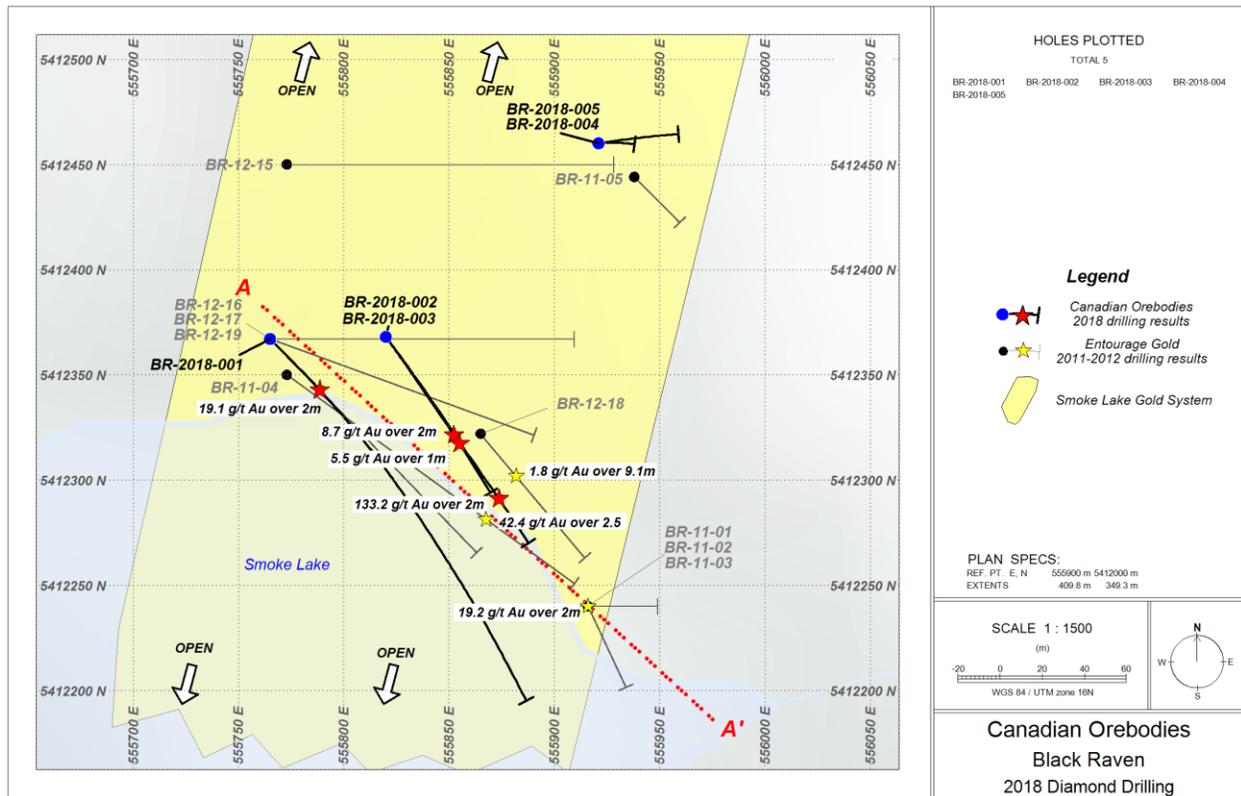
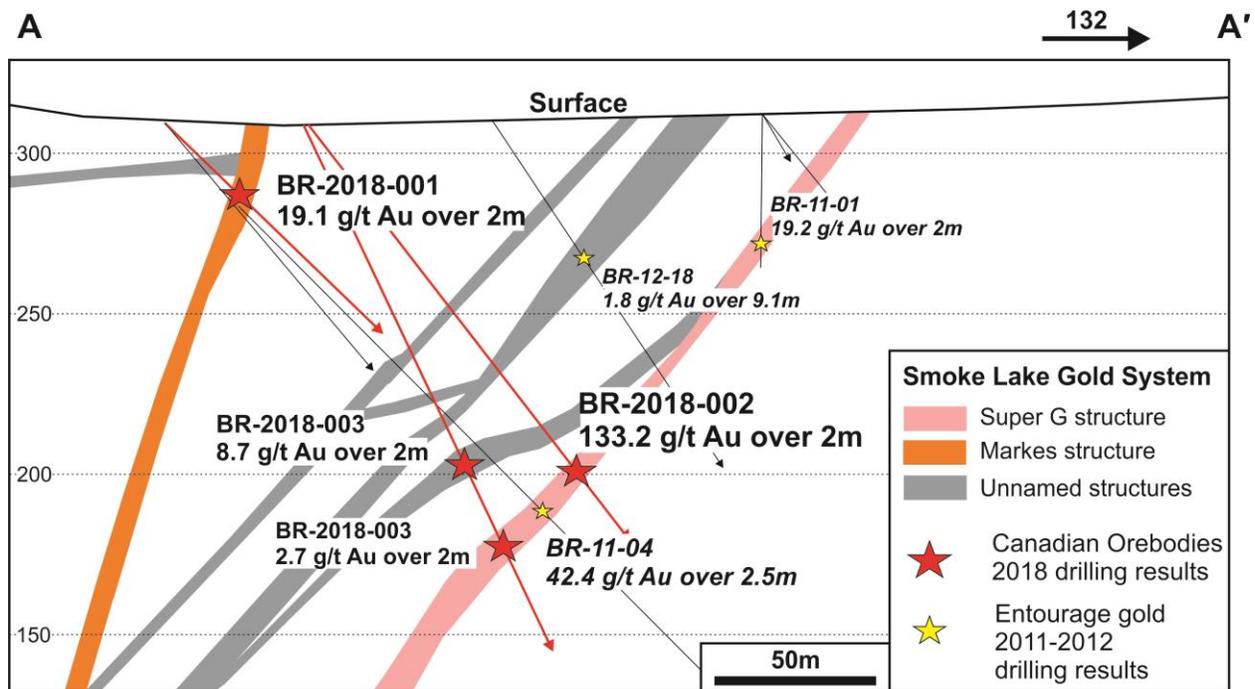


Figure 3: Smoke Lake Gold System Cross Section



Goodchild Lake Property

On February 20, 2018, the Company announced the acquisition of the Goodchild Lake Property which covers a strategic and highly prospective land holding in the middle of the Company's 100% owned Black Raven project. The Goodchild Lake Property consists of 25 claim units totaling approximately 400 hectares. The Company purchased the claims from the court-appointed receiver of Century Mining Corporation ("Century") for a cash payment of \$40,000, the assumption of Century's three percent (3%) net smelter returns royalty obligations in respect of the Goodchild Lake Property and the payment of a portion of the receiver's expenses associated with the transaction. In connection with the purchase, the Company also entered into an agreement with Teck Resources Limited ("Teck") to terminate certain rights Teck had in relation to the Goodchild Lake Property in exchange for the granting to Teck of a one-half of one percent (0.5%) net smelter returns royalty in respect of the Goodchild Lake Property. The Company also entered into an agreement with the existing net smelter returns royalty holders on the Goodchild Lake Property to vary the terms on which the royalty may be bought down. In exchange for the issuance of 40,000 shares of the Company, Canadian Orebodies obtained the right to purchase up to two-thirds of the royalty for \$1,500,000.

The Goodchild Lake Property is underlain by mafic volcanics with minor interflow sediments which have been intruded by the Goodchild serpentinite. The Beggs Lake Stock, an elliptical intrusion approximately 3.2 km by 1.5 km in size, of quartz monzonite to trondhjemite composition intrudes the metavolcanic rocks and the serpentinite.

Initial exploration on the Goodchild Lake Property during the 1950's and 1960's was focused on the nickel-copper potential of the Goodchild serpentinite and values of up to 2% Cu and 0.5% Ni over 2.5 metres were reported from diamond drilling. After the discovery of the Super G Gold Vein in 1993, located immediately southwest of the Goodchild Lake Property, the area was re-evaluated for its gold potential. Two styles of gold mineralization were subsequently recognized: (i) northwest trending, 2-8 metre wide pyritic, ankerite +/- albite altered shear zones in mafic volcanics (Moses Main); and (ii) quartz veining and associated disseminated pyrite within the Beggs Lake Stock along north to north-east trending structures (Lucky 13 and the UGM Trend).

The Moses Main Occurrence has been exposed by a series of trenches over a 200 metre strike length and samples collected in the 1990's returned values of up to 8.6 g/t Au. The Lucky 13 is hosted within a strongly altered NNE trending shear within the Beggs Lake Stock from which grab samples returned values grading up to 100.8 g/t Au. The UGM Trend consists of three showings over a 500 metre strike length. Gold associated with elevated bismuth, molybdenum and tungsten values occurs along a northeast trending lineament within the Beggs Lake Stock, and values up to 3.0 g/t Au in outcrop and 10.8 g/t Au in boulders have been returned.

Pic River Property

On August 16, 2018 the Company completed the acquisition of the "Goodchild Lake" mining claims (the "Pic River Property") from Benton Resources Inc. ("Benton"). The Pic River Property consists of 31 claim cells totaling approximately 500 hectares, and covers a prospective trend adjacent to the northwest portion of the Company's 100% owned Black Raven Property. As consideration for the purchase, the Company issued Benton 100,000 common shares in the capital stock of the Company valued at \$27,000 and granted Benton a 1.5% net smelter returns royalty ("NSR"). The Company will have the option to buy-down 50% of the NSR at any time for the sum of \$750,000.

Belcher Islands Iron

The Company has a 100% interest in the Belcher Islands Iron Project (“Belcher Project”), which covers 23,042 hectares located on the Belcher Islands in Nunavut, Canada. The project consists of 1,226 hectares of Inuit Owned Land and 29 claims covering 21,816 hectares of Municipal Land. A significant amount of exploration work, including numerous widely-spaced diamond drill holes, was carried out on the property during the 1950’s by Belcher Mining Corporation Ltd. Since acquiring the Belcher Project, the Company has drilled 97 holes on a number of target areas. The Company’s 2011 exploration program culminated in a NI 43-101 Resource Estimate prepared by George Wahl of GH Wahl & Associates Consulting, which was effective February 6, 2012. The Belcher Project is host to the Haig Inlet Deposit which has an indicated resource of 230 million tonnes at 35.17% Fe and an additional inferred resource of 289 million tonnes at 35.47% Fe.

The Haig Inlet Deposit is a Lake Superior Type iron formation, is Paleoproterozoic (1,880 Ga) and is located at the western edge of the Superior Province. This iron formation is thought to have been deposited under similar conditions and timing as the Sokoman Formation which hosts the Labrador Trough iron deposits. Many of the stratigraphic sub-units of the Sokoman can be correlated to similar units in the Kipalu Formation which hosts the Haig Inlet deposit. The Kipalu Iron Formation hosts the Haig Inlet Iron mineralization and is overlain by a sequence of flood basalts. The iron formation is comprised of granular cherts and banded red cherts suggesting an alternating sequence of near shore environment with deposition above and below the wave base and a deeper and quieter marine environment. Lake Superior Type deposits mineralized predominantly with hematite have been successfully mined and concentrated at mining operations in the Labrador Trough since 1954.

Royalty Interests

Crescent Lake Project

On March 4, 2016, and as amended on December 6, 2016, the Company signed an option agreement (the “Crescent Lake Option”) to sell its 100% interest in the Zig Zag and Falcon Lake properties to Sunrise International Resources Ltd., a subsidiary of Argonaut Resources NL, for staged payments totaling approximately \$490,000 (received) and the following milestone payments, subject to certain conditions:

- (i) \$400,000 in cash or shares payable to Canadian Orebodies on announcement of a maiden resource estimate with any resource defined in the “Indicated” category of the JORC code or its equivalent NI 43-101 category; and
- (ii) \$1,000,000 in cash or shares payable to Canadian Orebodies on a decision to mine.

Hawkins Property

The Company has a 0.5% NSR royalty on the Hawkins Property, located 120 km south of Hearst, Ontario, which consists of 96 claim units covering a total area of 1,536 hectares. The property is host to the historic Shenango Gold Mine. The Shenango prospect was in production during 1936, 1937 and 1945. Two shafts were sunk to 52 and 125 feet and an adit was driven 90 feet while following auriferous quartz veins cutting mafic metavolcanics. In the mid-1980’s Falconbridge Exploration Ltd. carried out an extensive shallow drilling program and defined a low-grade auriferous felsic horizon with values of 1 to 4 grams per ton gold over 4 to 30 meter widths along a minimum strike length of 3 to 4 kilometers. No thorough drilling was carried out to evaluate these felsic volcanoclastic units at depth or to the west. The Hawkins Property is 100% owned by Pavey Ark Minerals Inc., and currently under option to Sunvest Minerals Corp.

Greenbush Property

The Company has a 2% NSR royalty on the Greenbush property, which consists of 47 claim units covering 752 hectares in Greenbush Lake Township and is 100% owned by Sunrise Canada Inc., a subsidiary of Argonaut Resources NL.

McFaulds Lake ‘Ring of Fire’

In May 2010, the Company entered into an agreement with Noble Mineral Exploration Inc. (“NOB”, formerly Ring of Fire Resources Inc. and Hawk Uranium Inc.) by which the Company sold its interest in eight 100% owned northern properties (the “Northern Properties”) and seven 50% owned southern properties (the “Southern Properties”). The agreement entitles the Company to a 10% NPI royalty on the Northern Properties and a 10% NPI royalty on the portion of the Southern Properties acquired by NOB, which would be converted to a 0.15% NSR royalty if NOB’s interest in the Southern Properties is reduced to less than 10% and therefore converted to a NSR royalty. NOB subsequently sold the Northern Properties and Southern Properties to Macdonald Mines Exploration Ltd. (“BMK”).

Outlook

During the fiscal year ending January 31, 2019, the Company completed geophysical surveys, extensive prospecting, and a drill program on the Wire Lake/Black Raven project. The current proposed annual budget is:

Project	Budget	Expenditures
Hemlo North Limb	\$25,000	\$2,725
Wire Lake and Black Raven	Up to \$1,700,000	\$1,354,219
Total	Up to \$1,725,000	\$1,356,944

*Amount spent as of October 31, 2018 excluding acquisition costs

The principal focus is expected to be further work on the Wire Lake and Black Raven properties following up on last year’s gold discoveries. The exploration budget is subject to change at the discretion of the Company’s management and Board of Directors. As at October 31, 2018, the Company had working capital of \$2,472,807 and is fully funded to complete the proposed field programs.

Results of Operations

For the nine months ended October 31, 2018, the Company incurred a loss of \$1,758,999 compared to a loss of \$4,119,249 in the nine months ended October 31, 2017.

In addition, during the period in the prior year the Company had other comprehensive loss of \$6,400.

Comparison of the nine months ended October 31, 2018 versus October 31, 2017

The Company spent \$1,579,722 on exploration expenditures during the nine months ended October 31, 2018, a large decrease on the \$3,241,323 incurred during the comparative period. The decrease was primarily a result of acquiring the Black Raven property in the prior year, as well as performing multiple drilling programs in 2017. During the nine months ended October 31, 2018, the Company did not receive any proceeds from the sale of properties and option payments, versus \$150,000 received during the nine months ended October 31, 2017.

The Company expensed \$21,608 in professional and consulting fees as compared to \$37,577 in the preceding year for a decrease of \$15,969 as a result of decreased legal fees.

The Company incurred \$276,351 for management and administrative expenses, a slight increase from the prior year of \$275,805 due to the adoption of an employee medical and dental benefits plan midway through the prior year. In addition, the Company incurred a non-cash share based compensation expense of \$18,520 relating to the grant of incentive stock options to consultants of the Company. Share based compensation expense of \$550,325 was significantly higher in the previous year when the Company did a full stock option grant to officers and directors as well as consultants.

Office and administrative expenses were \$65,410 for the nine months ended October 31, 2018, up marginally from the \$61,785 incurred in the previous year.

Shareholder information expense for the period was \$31,421, down from \$191,906 in the previous period. The large decrease was due to the Company re-listing its common shares on the TSX Venture Exchange and incurring significant costs to re-establish market awareness in the previous year.

During the nine months ended October 31, 2018, the Company earned interest on its cash investments aggregating \$24,658, down from \$32,641 in the prior period as a result of decreased average cash balances.

In the prior year, the Company also recognized an investment gain of \$59,678 representing the realized gain on the sale of marketable securities during the nine months ended October 31, 2017.

Summary of Quarterly Results

	Aug. 1, 2018 to Oct. 31, 2018	May 1, 2018 to Jul. 31, 2018	Feb. 1, 2018 to Apr. 30, 2018	Nov. 1, 2017 to Jan. 31, 2018
(\$)				
Total revenues	-	-	-	-
Net income (loss) before other comprehensive income (loss)	(952,887)	(559,955)	(246,157)	(265,453)
Net income (loss) and per share – basic and fully diluted	(0.02)	(0.01)	(0.01)	(0.01)
Total assets	3,022,243	3,807,639	2,354,914	2,505,255
Long-term debt	Nil	Nil	Nil	Nil
Shareholders' equity	2,472,807	3,398,694	2,326,032	2,449,396
Cash dividends declared per common share	Nil	Nil	Nil	Nil
	Aug. 1, 2017 to Oct. 31, 2017	May 1, 2017 to Jul. 31, 2017	Feb. 1, 2017 to Apr. 30, 2017	Nov. 1, 2016 to Jan. 31, 2017
(\$)				
Total revenues	-	-	-	-
Net income (loss) before other comprehensive income (loss)	(956,952)	(1,519,037)	(1,643,260)	(283,961)
Net income (loss) and per share – basic and fully diluted	(0.02)	(0.03)	(0.04)	(0.01)
Total assets	2,892,726	4,178,844	5,299,520	5,630,735
Long-term debt	Nil	Nil	Nil	Nil
Shareholders' equity	2,683,932	3,664,084	5,175,812	5,536,219
Cash dividends declared per common share	Nil	Nil	Nil	Nil

Objectives and Milestones

The objectives of the Company are to (i) enhance its geological knowledge of the Wire Lake project, Hemlo North Limb project, Belcher Islands Iron project and its other properties (ii) develop targets on the properties for future sampling and drilling programs; and (iii) target, review and, if desirable, acquire and develop additional mineral assets in order to augment and strengthen its current mineral property portfolio.

In conducting its search for additional mineral properties, the Company may consider acquiring properties that it considers prospective based on criteria such as the exploration history or location of the properties, or a combination of these and other factors. Risk factors to be considered in connection with the Company's search for and acquisition of additional mineral properties include the significant expenses required to locate and establish mineral reserves; the fact that expenditures made by the Company may

not result in discoveries of commercial quantities of minerals; environmental issues; land title; competition; and, the potential failure of the Company to generate adequate funding for any such acquisitions. See the *Risks and Uncertainties* section of this MD&A.

Liquidity and Capital Resources

As at October 31, 2018, the Company had working capital of \$2,472,807 (January 31, 2018 – \$2,449,396). See *Risks and Uncertainties – Liquidity Risk*.

During the nine months ended October 31, 2018, a total of 461,637 share purchase warrants with an exercise price of \$0.24 were exercised for gross proceeds of \$110,793. The fair value attributed to these warrants was \$52,222.

The Company estimates that its corporate and general costs to maintain the requirements of a reporting issuer for the next twelve months will total approximately \$500,000. The Company currently has sufficient working capital to fund its corporate and general costs over the next twelve months. The Company may seek to monetize its interest in one or more of its properties or raise additional capital in the next year.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, the Company's financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the financial statements.

The exploration and development of the Company's properties depends on the ability of the Company to obtain financing. If the Company's exploration programs are successful, additional funds will be required to develop the Company's properties and, if successful, to place them in commercial production. The only sources of future funds available to the Company are further offerings of either debt or equity capital of the Company, or the sale by the Company of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and shareholders may suffer additional dilution. If adequate financing is not available, the Company may be required to delay, reduce the scope of, or eliminate one or more exploration activities or relinquish rights to certain of its interests. Failure to obtain additional financing on a timely basis could cause the Company to forfeit its interests in some or all of its properties and reduce or terminate its operations.

Capital Management

In managing its capital, the Company's primary objective is to ensure the entity can continue as a going concern as well as to provide optimal returns to its shareholders, in the long term. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of properties for the mining of minerals that are

economically recoverable. The Board of Directors does not establish quantitative returns on capital criteria for management due to the nature of the industry, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company considers its capital to be equity, which is comprised of share capital, reserves, accumulated other comprehensive income, and accumulated deficit, which at October 31, 2018 totaled \$2,472,807 (January 31, 2018 - \$2,449,396).

The properties in which the Company currently has an interest are in the exploration stage. As such, the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. Management has chosen to mitigate the risk and uncertainty associated with raising additional capital in current economic conditions by:

1. attempting to maintain a liquidity cushion in order to address any potential disruptions or industry downturns;
2. minimizing discretionary disbursements;
3. reducing or eliminating exploration expenditures that are of limited strategic value; and
4. exploring alternative sources of liquidity.

As such, the Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the Company's relative size, is reasonable. There were no changes in the Company's approach to capital management during the nine months ended October 31, 2018. The Company is not subject to externally imposed capital requirements.

As at October 31, 2018, the Company had \$900,083 of flow-through expenditure obligations remaining, which must be expended by December 31, 2019.

Critical Accounting Policies and Estimates

Changes in accounting policies

The Company adopted the following standard during the nine months ended October 31, 2018:

IFRS 9 - Financial Instruments

IFRS 9, Financial Instruments ("IFRS 9") was issued in its final form by the IASB in July 2014 and replaces IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 replaces the multiple rules in IAS 39 with a single approach to determine whether a financial asset is measured at amortized cost or fair value and a new mixed measurement model for debt instruments having only two categories: amortized cost and fair value. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. The effective date for the application of IFRS 9 is February 1, 2018. The Company's adoption of IFRS 9 did not have a material impact upon the condensed interim financial statements.

Mineral Properties and Exploration Expenditures

The Company expenses all costs relating to the acquisition of, exploration for and development of mineral claims and credits all revenues received against the exploration expenditures. Such costs include, but are not limited to geological, geophysical studies, exploratory drilling and sampling.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized; this includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The preparation of these financial statements required the following critical accounting estimates and significant judgments:

- (i) the calculation of the fair value of warrants, broker warrants and stock options requires the use of estimates of inputs in the Black-Scholes option pricing model.

Share-based Compensation

The share option plan allows the Company's employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Related-party Transactions

During the nine months ended October 31, 2018, a total of nil (2017 – 2,125,000) share options were granted to directors and officers of the Company.

Related-party transactions occur from time to time in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Off-balance Sheet Transactions

During the nine months ended October 31, 2018, there were no off-balance sheet transactions. The Company has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk.

Dividends

The Corporation has neither declared nor paid any dividends on its common shares. The Corporation intends to retain its earnings, if any, to finance growth and expand its operations and does not anticipate paying any dividends on its common shares in the foreseeable future.

Risks and Uncertainties

Credit Risk

The Company deposits cash with financial institutions it believes to be creditworthy. In some circumstances, cash balances at these financial institutions may exceed the federally guaranteed amount. The Company's current credit risk is primarily attributable to cash, cash equivalents, short term investments, and HST recoverable. Cash, cash equivalents and short term investments are held with a reputable, Tier A Canadian chartered bank and as such, management believes the risk of loss to be minimal. HST recoverable is due from the federal government of Canada. Management believes that the credit risk with respect to financial instruments included in HST recoverable is minimal and remote.

Liquidity Risk

The Company's ability to remain liquid over the long term depends on its ability to obtain financing necessary to complete exploration and development of its mineral properties and their future profitable production or, alternatively, upon the Corporation's ability to dispose of its interest on an advantageous basis.

As mentioned previously in this MD&A, as at October 31, 2018, the Company had working capital of \$2,472,807 (January 31, 2018 – \$2,449,396). The Company is seeking additional capital to increase its liquidity over the medium to long term. All of the Company's accounts payable and accrual liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company's financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assume the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's continued existence is dependent upon its ability to obtain the necessary financing to meet ongoing expenses, to complete the development of its mineral properties and upon future profitable operations.

Market Risk

Currency Risk

The Company has no foreign currency denominated assets or liabilities. Major purchases are transacted in Canadian dollars and therefore the Company had no material foreign currency exposure at October 31, 2018.

Interest Rate Risk

The Company has cash and cash equivalents balances and no debt. Interest rate risk is remote.

Equity Price Risk

Market risk arises from the possibility that changes in market prices will affect the value of financial instruments of the Company. Except for marketable securities, the Company's other financial instruments (cash, cash equivalents, short term investments, HST recoverable, accounts payable and accrued liabilities) are not subject to price risk.

Commodity Price Risk

The Company is exposed to price risk with respect to gold, iron and other commodity prices, as such prices impact the future economic feasibility of its exploration properties. The Company closely monitors these commodity prices to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

Based on management's knowledge and experience of the financial markets, the Company believes a 50% change in equity prices is "reasonably possible" over a twelve month period. As at October 31, 2018, the Company held no marketable securities and as such net income (loss) would not be impacted by such moves in equity prices.

Fair Value

The Company has designated its cash as held-for-trading. HST recoverable is classified for accounting purposes as loans and receivables, which are measure at amortized costs which equals fair value. Marketable securities, if owned, are valued at the bid price as at the date of the financial statements. Accounts payable and accrued liabilities and amounts due to related parties are classified for accounting purposes as other financial liabilities, which are measured at amortized cost which also equal fair value. Fair values of accounts receivable, short term investments, marketable securities, accounts payable and accrued liabilities and amounts due to a related party are determined from transaction values which were derived from observable market inputs. Fair values of these financial instruments are based on Level 2 measurements. As at October 31, 2018, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent.

Additional Risk Factors

The operations of the Company are speculative due to the high-risk nature of its business, which is the acquisition, financing, exploration and development of mining properties. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected.

Additional Capital

The exploration activities of the Company may require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration and development of

any of the Company's properties. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financings will be favourable to the Company. In addition, low commodity prices may affect the Company's ability to obtain financing.

Environmental and Permitting

All aspects of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations, among other things, mandate the maintenance of air and water quality standards, land reclamation, transportation, storage and disposal of hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, 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.

Acquisition

The Company uses its best judgment to acquire mining properties for exploration and development. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable agreements, including arrangements to finance the acquisitions and development, or integrate such opportunity and their personnel with the Company. The Company cannot assure that it can complete any acquisition that it pursues or is currently pursuing, on favourable terms, or that any acquisition completed will ultimately benefit the Company.

Competition

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than the Company. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospectus for mineral exploration in the future.

Political Risk

All of the Company's properties are located in Canada. Accordingly, the Company is subject to risks normally associated with exploration for and development of mineral properties in Canada, which the Company believes to be low. The Company's mineral exploration activities could be affected in varying degrees by future political instability and or government regulation relating to foreign investment and the mining business. Although not expected, operations may also be affected in varying degrees by terrorism, military conflict or repression, crime, extreme fluctuations in currency rates and high inflation.

Business Risk

There are numerous business risks involved in the mineral exploration industry, some of which are outlined below. The Company may not always own 100% of the mineral concessions. Similarly, any non-compliance with or non-satisfaction of the terms of an option by the Company could affect its ability to exercise the option and earn its interest in the mining concessions and assets relating to properties. Mining concessions may not include surface rights and there can be no assurance that the Company will be successful in negotiating long term surface rights access agreements in respect of the properties. Failure to obtain surface rights could have an adverse impact on the Company's future operations. The Company's

current or future operations, including development activities, are subject to environmental regulations which may make operations not economically viable or prohibit them altogether.

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, outside contractors, experts and other advisors. Investors must be willing to rely to a significant degree on management’s discretion and judgement, as well as the expertise and competence of the outside contractors, experts and other advisors. The Company does not have a formal program in place for succession of management and training of management. The loss of one or more of the key employees or contractors, if not replaced on a timely basis, could adversely affect the Company operations and financial performance.

Disclosure of Outstanding Share Information

The following table sets forth the outstanding securities of the Company as at December 19, 2018:

Common Shares of no par value	Number
Shares	53,898,450
Options	4,272,500
Warrants	214,712

Internal Controls Over Financial Reporting

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for designing internal controls over financial reporting (“ICFR”) or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The control framework that has been used is the COSO framework. There were no changes in the Company’s ICFR that occurred that have materially affected, or are reasonably likely to materially affect, the Company’s ICFR.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to our management as appropriate to allow timely decisions regarding required disclosure. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Additional Information

Additional information relating to the Company is available on the internet at the SEDAR website located at www.sedar.com or the Company’s website located at www.canadianorebodies.com.