FORM 51-102F1
Management Discussion and Analysis
Oriental Non-ferrous Resources Development Inc.
For the three and nine months ended June 30, 2018

Date: August 29, 2018

Overview

The following Management's Discussion and Analysis ("MD&A") provides relevant information on the operations and financial condition of Oriental Non-ferrous Resources Development Inc. ("ONRD" or the "Company") for the three and nine months ended June 30, 2018. This MD&A has been prepared as of August 29, 2018 and includes information up to that date.

The following MD&A should be read in conjunction with the Company's audited consolidated financial statements of the Company for the year ended September 30, 2017 together with the accompanying notes that form part of the statements. The consolidated financial statements and the notes therein have been prepared in accordance with International Financial Reporting Standards ("IFRSs"). All amounts are expressed in Canadian dollars unless otherwise stated. Additional information may be found on SEDAR at www.sedar.com.

Forward-Looking Information

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the "Risk Factors" section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and underlie the forward-looking statements as reasonable assumptions, any of which could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements.

Within this MD&A, the Company has specifically noted the forward-looking nature of comments where applicable. Generally, readers should be aware that forward-looking statements included or incorporated by reference in this document include statements with respect to:

- The Company's acquisition strategy, including the basis upon which the Company will evaluate acquisition criteria and the benefits associated with an acquisition.
- The Company's ability to carry out exploration programs.
- Expectations regarding the ability to raise capital to fund future working capital requirements.

A number of factors could cause actual events, performance or results, including those in respect of the foregoing items, to differ materially from the events, performance and results discussed in the forward-looking statements. Factors that could cause actual events, performance or results to differ materially from those set forth in the forward-looking statements include, but are not limited to:

- the effect of continuing operating losses on the Company’s ability to obtain, on satisfactory terms, or at all, the capital required to maintain itself as a going concern;
- continued negative operating cash flows as the Company continues to expend substantial financial resources on exploration and evaluation activities on its Mongolian properties.
- the risks associated with the increase in operating costs from additional development costs and increased staff;
- the Company’s ability to attract and retain key personnel and key collaborators; and
- the substantial risks involved in early-stage mining companies related to, among other things, exploration, development, and cost containment.

Although the forward-looking statements contained in this MD&A are based on what we consider to be reasonable assumptions based on information currently available to us, there can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and our assumptions may prove to be incorrect. These forward-looking statements are made as of the date of this MD&A. Forward-looking statements made in this MD&A are made as of the date of the original document and have not been updated by us except as expressly provided for in this MD&A. As required by applicable securities legislation, as a reporting issuer, it is the Company's policy to update forward-looking information in its periodic management discussions and analyses, as required from time to time, and provide updates on its activities to the public through the filing and dissemination of news releases and material change reports.

Description of Business and Overall Performance

The Company is engaged in the business of acquisition and exploration of mineral resource properties.

The Company was incorporated under the Business Corporations Act of British Columbia on August 20, 2015. The head and registered office of the Company is 5148 Williams Road, Richmond, British Columbia.

On September 10, 2015, the Company acquired 100% of Genuine Success Global Limited (“GSG”), a company incorporated on May 20, 2014 under the laws of British Virgin Islands, by way of share exchange. Pursuant to the share exchange agreement between the Company, GSG and the shareholders of GSG, the Company issued 75,000,000 shares of the Company to the shareholders of GSG. Mr. Youliang Wang is also a major shareholder of GSG.

GSG owns 100% of Tunshan Xiangdong Co., Ltd. (“Tunshan”), a Mongolian mineral exploration company incorporated on August 31, 2007. Tushan has acquired mineral exploration license with expiry date of July 31, 2020. The mineral properties are located in Kharganii am-1, Bornuur soum, Tuv aimag, Mongolia totalling 1,073 hectares. Tunshan has also acquired mineral mining license with expiry date of September 5, 2044 covering 42.12 hectares of same areas in the mineral exploration license in Kharganii am-1, Bornuur soum, Tuv aimag, Mongolia.

As a junior mineral exploration company, the Company's core assets are the exploration rights to its mineral properties. The Company's current objective is to seek out and acquire prospective mineral exploration properties in Mongolia with the view to exploring and developing the properties.

As at June 30, 2018 and September 30, 2017, the Company had no producing properties, and consequently no operating income or cash flows from operation. The Company has been dependent on shareholder funding to finance all of its activities and it is anticipated that it will continue to rely on this source of funding for its exploration expenditures and to meet its ongoing working capital requirements.

In the year ended September 30, 2017, the Company issued 250,000 common shares for proceeds of $200,000. In the year ended September 30, 2017, the Company received $200,000 from financing activities. As the Company continued to monitor its working capital condition, mineral exploration activities were reduced significantly.

In the opinion of management, all adjustments consisting of normal recurring adjustments, considered necessary for a fair presentation of the Company's financial position, results of operations and cash flows, have been included.

As at June 30, 2018 and September 30, 2017, the Company had capitalized the following expenditures:

Balance, September 30, 2015	1,736,396
Other geological work	33,195
Effect of movements in exchange rates	(1,014)
Balance, September 30, 2016	$1,768,577
Other geological work	24,667
Effect of movements in exchange rates	(217)
Balance, September 30, 2017	$1,793,027
Other geological work	35,732
Balance, June 30, 2018	$1,828,759

Selected Annual Information

In CAD$	Years Ended September 30,		
	2017	2016	2015
Operating Expenses	$(262,456)	$(2,382,837)	$(199,582)
Net Loss for the Year	$(262,456)	$(2,382,837)	$(199,582)
- Basic and Diluted Loss Per Share	$(0.00)	$(0.03)	$(0.00)
Total Assets	$1,907,447	$1,941,282	$2,437,821

Results of Operations

The Company incurred a net loss and comprehensive loss of $42,627 and $42,436 for the three months ended June 30, 2018, respectively (2017: net loss and comprehensive loss of $102,482 and $102,269, respectively).

The Company incurred a net loss and comprehensive loss of $145,852 and $146,072 for the nine months ended June 30, 2018, respectively (2017: net loss and comprehensive loss of $217,417 and $218,812, respectively).

As at June 30, 2018, the Company's deficit was $3,553,235 (September 30, 2017: $3,407,383).

For the three and nine months ended June 30, 2018, the Company incurred general and administrative expenses of $42,627 and $145,852, respectively (2017: $102,482 and $217,417, respectively.

The following is the breakdown of the general and administrative expenses:

	Three Months Ended June30,		Nine Months Ended June 30,	
	2018	2017	2018	2017
Expenses	$	$	$	$
Professional fees	13,932	57,898	45,104	98,722
Payroll expenses	23,227	30,544	69,679	82,421
Office expenses	2,926	7,267	5,584	16,653
Regulatory Filing expenses	865	2,553	18,242	4,566
Rent and utilities	114	12	4,414	3,513
Interest on loan	1,499	-	2,499	-
Travel and entertainment	5	4,131	177	11,135
Project expenses	-	-	-	135
Bank fees	59	77	153	272
Total	(42,627)	(102,482)	(145,852)	(217,417)

Summary of Quarterly Results

The following is a summary of selected financial data for the Company for the eight most recently completed quarters.

	For the quarters ended			
	June 30, 2018	March 31, 2018	December 31, 2017	September 30, 2017
Net loss	($42,627)	($66,974)	($34,557)	($45,039)
Basic and diluted loss per share				
Weighted average number of common	$(0.00)	$(0.00)	$(0.00)	$(0.00)
shares outstanding - basic and diluted	77,604,167	77,604,167	77,604,167	77,604,167

	For the quarters ended			
	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
Net loss	($102,482)	($79,080)	($35,855)	($45,906)
Basic and diluted loss per share				
Weighted average number of common	$(0.00)	$(0.00)	$(0.00)	$(0.00)
shares outstanding - basic and diluted	77,604,167	77,604,167	77,386,776	77,354,167

The slightly higher loss incurred in the quarter ended June 30, 2017 was due to higher professional fees incurred as a public company.

The Company has no dividend policy and has no intention of developing a dividend policy in the foreseeable future. The Company has paid no dividends and has no retained earnings from which it might pay dividends.

Liquidity

As at June 30, 2018, the Company had working capital deficiency of $122,511 (September 30, 2017: working capital deficiency of $43,175).

On January 31, 2018, the Company closed a non-brokered debt financing of $99,969 by way of unsecured debenture bearing interest rate of 6% per annum with a maturity date of January 31, 2020. The debenture was issued to a shareholder of the Company. Proceeds raised from the debt financing will be used for claim maintenance fees, general property and geological review.

In the year ended September 30, 2017, the Company issued 250,000 common shares for proceeds of $200,000. In the year ended September 30, 2017, the Company received $200,000 from financing activities. As the Company continued to monitor its working capital condition, mineral exploration activities were reduced significantly.

Other than the mineral property claims, the Company does not currently hold an interest in any other business nor does it have an interest in any fixed assets, directly or indirectly. The Company's activities have been funded through equity financing and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

There can be no assurance that the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained, then the Company will be forced to curtail its activities to a level for which funding is available and can be obtained.

Financial Instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash, accounts payable, and due to shareholders. At initial recognition management has classified financial assets and liabilities as follows:

i) Financial assets
The Company has recognized its cash at FVTPL. A financial instrument is classified at FVTPL if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at FVTPL if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with Company's documented risk management or investment strategy. Financial instruments FVTPL are measured at fair value and changes therein are recognized in income.

ii) Financial liabilities
The Company has recognized its accounts payable and due to shareholders as other financial liabilities and is initially recorded at fair value and subsequently measured at amortization costs by using the effective interest method. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial instruments recorded at fair value
The Company's financial assets consist of cash and cash equivalents. The estimated fair values of cash and cash equivalents approximate their respective carrying values due to the short period to maturity. The Company classifies its fair value measurements within a fair value hierarchy, which reflects the significance of the inputs used in making the measurements – Financial Instruments – Disclosures.

As at June 30, 2018 and September 30, 2017, the fair value of cash and cash equivalents were measured using Level 1 inputs.

Level 1 - Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs which are supported by little or no market activity.

The fair values of other financial instruments, which include accounts payable and due to shareholders approximate their carrying values due to the relatively short-term maturity of these instruments.

Capital Resources

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 mineral property interests. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers capital to consist of shareholders' equity.

The property in which the Company currently has an interest is in the exploration stage; as such the Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient 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 relative size of the Company, is reasonable.

Related Party Transactions

During the three and nine months ended June 30, 2018 and 2017, the Company paid following management in the form of director and officer fees:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2018	2017	2018	2017
	$	$	$	$
Management fees	18,000	18,000	54,750	55,500
Directors' fees	3,250	9,900	9,900	18,885
	21,250	27,900	64,650	74,385

As at June 30, 2018, the Company owed $157,955 to a shareholder of the Company (September 30, 2017: $108,539). This amount represented expenses paid by the shareholder on behalf of the Company.

As at June 30, 2018, the Company owed $102,468 to a shareholder of the Company. This amount represented unsecured long-term debenture of $99,969 and interest of $2,499 accrued for the period ended June 30, 2018 (Note 8) (September 30, 2017: nil).

All transactions with related parties have been in the normal course of operations and were measured at their exchange amounts established and agreed to by the related parties. Any amounts due to related parties were unsecured, non-interest bearing and have no specific repayment terms.

Commitments and Contractual Obligations

The Company has no commitments and contractual obligations.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet agreements.

Recent Accounting Pronouncements

The following standards and interpretations have not been in effect as they will only be applied for the first time in future periods. They may result in consequential changes to the accounting policies and other note disclosures. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IFRS 9 Financial Instruments (New)

In July 2014, the IASB issued IFRS 9, Financial Instruments, will replace IAS 39, Financial Instruments: Recognition and Measurement, and some of the requirements of IFRS 7, Financial Instruments: Disclosures. The objective of IFRS 9 is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows. The IASB has determined the revised effective date for IFRS 9 will be for annual periods beginning on or after January 1, 2018.

IFRS 2 Share-based payment

The IASB issued has published amendments to IFRS 2, Share-based Payment. The new requirements could affect the classification and/or measurement of cash settled share-based payments, classification of share-based payments settled net of tax advantage, and share-based payment from cash-settled to equity settled – and potentially the timing and amount of expense recognized for new and outstanding awards. The amendments apply for annual periods beginning on or after January 1, 2018.

Other MD&A Requirements:

Outstanding Share Data

Under the Articles of the Company, the Company is authorized to issue unlimited shares with no par value.

On December 19, 2016, the Company closed a non-brokered private placement for 250,000 common shares of the Company at a price of $0.80 per share for gross proceeds of $200,000.. Proceeds raised from the sale of the shares will be used for claim maintenance fees, general property and geological review.

As at June 30, 2018 and September 30, 2017, the share capital and share reserve of the Company was $891,665 and $2,400,342, respectively.

As at the date of this MD&A and June 30, 2018, the Company had 77,604,167 common shares and 5,000,000 stock options outstanding and exercisable.

Control and Procedures

Venture issuers are not required to establish or maintain disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR). The Company is not required to certify the design and evaluation of its DC&P and ICFR and has not completed such an evaluation. The inherent limitations on the ability of the certifying officers to design and implement, on a cost-effective basis, DC&P and ICFR for the Company may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

As indicative of many small companies, the lack of segregation of duties and effective risk assessment were areas where weaknesses existed. The existence of these weaknesses is to be compensated for by senior management monitoring, which exists. The officers will continue to monitor very closely all financial activities of the Company and increase the level of supervision in key areas. It is important to note that this issue would also require the Company to hire additional staff in order to provide greater segregation of duties. Since the increased costs of such hiring could threaten the Company's financial viability, management has chosen to disclose the potential risk in its filings and proceed with increased staffing only when the budgets and work load will enable the action. The Company has attempted to mitigate these weaknesses, through a combination of extensive and detailed review by the CFO of the financial reports, the integrity and reputation of senior accounting personnel, and candid discussion of those risks with the audit committee.

Risks and Uncertainties

The Company is engaged in the exploration for and development of mineral deposits. These activities involve significant risks which careful evaluation, experience and knowledge may not, in some cases, eliminate. The commercial viability of any material deposit depends on many factors not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade, proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations, have an impact on the economic viability of a mineral deposit.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts revenues and expenses during the reporting period. Actual results could differ from those estimates.

Annual losses are expected to continue until the Company has an interest in an exploration and evaluation property that produces revenues. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing and generating revenues sufficient to cover its operating costs. The Company's accompanying financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

Any forward-looking information in this MD&A is based on the conclusions of management. The Company cautions that due to risks and uncertainties, actual events may differ materially from current expectations. With respect to the Company's operations, actual events may differ from current expectations due to economic conditions, new opportunities, changing budget priorities of the Company and other factors.

Proposed Acquisition

Management of the Company initially discussed the possibility of acquiring the mineral mining license to an iron and zinc mine known as the Khaldun iron (zinc) mine located in Govi-Ugtaal Sum, Middle Govi (Dundgovi) province, Mongolia, in November 2016. During the course of due diligence performed by the Company, a “Resources Development and Utilization Plan for Khaldun Iron (Zinc) Mine, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia” was prepared by Shandong Lianchuang Architectural Design Co., Ltd. in December 2016. The Company began the process of outlining the steps by which a business combination may be effected with MBGL, the owners of 100% of the issued and outstanding capital of Maple Mining Development Co. Ltd. (“Maple Mining”), which in turn owns mineral mining license number MV-017118 over the Khaldun iron (zinc) mine. Following further discussions, GSGL entered into a non-binding letter of intent on January 6, 2017 with MBGL, a private corporation registered under the laws of the British Virgin Islands and the sole shareholder of Maple Mining. Pursuant to the letter of intent, GSGL would acquire 100% of the issued and outstanding capital stock of MBGL for a deemed purchase price of $20,000,000, payable by the issuance of a promissory note from GSGL that would be guaranteed by the Company and convertible into 25,000,000 common shares of the Company at a deemed price of $0.80 per share. The Company, GSGL and MBGL subsequently entered into a definitive acquisition agreement and Amalgamation Agreement on February 7, 2017. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia.

The Company obtained shareholder approval to the Amalgamation Agreement at the annual general and special meeting of shareholders held on June 6, 2017 and subsequently filed a technical report on the Khaldun iron (zinc) mine bearing an effective date of May 8, 2017, entitled “Technical Report on the Khaldun Iron (Zinc) Property, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia” and prepared in compliance with National Instrument 43-101 Standards of Disclosure for Mineral Projects by Yungang Wu, P.Geo., a qualified person for the purposes of National Instrument 43-101.

The Board of Directors subsequently determined not to proceed with the amalgamation, and instead propose to replace the Amalgamation Agreement with a share purchase agreement whereby GSGL will acquire 95% of the issued and outstanding common shares of MBGL in consideration for the issuance and delivery of convertible debentures of the Company, which debentures are convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, subject to applicable escrow and holdbacks as outlined in the share purchase agreement.

The MBGL acquisition will be effected pursuant to the share purchase agreement, a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com. The share purchase agreement contains covenants, representations and warranties of and from each of the Company, GSGL, and MBGL and various conditions precedent with respect to each party to the share purchase agreement. The following is a summary of certain material provisions of the share purchase agreement and is not comprehensive but is qualified in its entirety by reference to the full text of the share purchase agreement.

On the terms and subject to the conditions set forth in the share purchase agreement, at the effective time, GSGL will acquire 95% of the issued and outstanding common shares of MBGL from the MBGL shareholders.

The Company's obligation to issue the convertible debentures is conditional upon a number of conditions precedent including the following:

1. there shall not be any claim that shall, at closing, be pending against any of the parties before any governmental authority and no law, regulation or policy shall have been proposed, enacted or applied: (i) making illegal or seeking to restrain, prohibit or obtain damages or other relief in connection with the consummation of the transactions contemplated by the share purchase agreement; (ii) prohibiting or materially limiting the ownership or operation by the Company or GSGL of a material portion of the business or assets of MBGL or requiring the Company or GSGL to dispose of or hold separately any such portion of any MBGL shares or MBGL assets, as applicable; or (iii) making the consummation of the transactions contemplated by the share purchase agreement materially more costly to the Company and GSGL or materially reducing the value of the MBGL shares;

2. all required approvals shall have been obtained on terms acceptable to the selling MBGL shareholders and the Company and GSGL, acting reasonably, at or prior to the closing time;

3. the shares to be issued or made issuable upon the conversion of the debentures in accordance with the share purchase agreement and the transactions contemplated thereby shall have been conditionally approved for listing upon the Canadian Securities Exchange subject only to conditions which may reasonably be expected to be satisfied within the 10 business days following the closing date; and

4. the parties will enter into a voluntary escrow agreement with respect to the shares of the Company issuable upon the conversion of the debentures.

As a result of the acquisition of 95% of the issued and outstanding shares of MBGL, the Company will issue convertible debentures representing an aggregate purchase price of $19,000,000, which debentures will be convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures.

The share purchase transaction has been reviewed and approved by the Board of Directors of the Company. The purchase price was determined by the Board of Directors to be a reasonable valuation in light of various alternatives available to the Company and the valuation amount was confirmed by due diligence performed by the Company. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia. As defined in the Securities Act (British Columbia), the share purchase transaction would not result in a change in the control of the Company since the Company would continue to have the same control persons as it did before the transaction and no new control persons would be created as a result of the transaction. After the closing of the share purchase transaction, the composition of the board of directors of the Company will remain the same. The share purchase transaction may also be subject to acceptance by the Canadian Securities Exchange and other regulatory approvals.

At the annual general and special meeting of the shareholders of the Company on August 24, 2018, it was resolved by an ordinary resolution that the share purchase agreement dated March 20, 2018 that will result in the acquisition of 95% of the issued and outstanding common shares of Maple Beauty Global Limited pursuant to the terms and conditions of the share purchase agreement be ratified and approved.

Risks Associated with the Share Purchase Transaction

In evaluating the share purchase transaction, the shareholders of the Company should carefully consider the following risk factors relating to the share purchase transaction. The following risk factors are not a definitive list of all risk factors associated with the share purchase transaction. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Company’s common shares and/or the business of the Company following the share purchase transaction. If any of the risk factors materialize, the predictions based on them may need to be re-evaluated. The risks associated with the share purchase transaction include, without limitation:

Closing conditions outside the control of the Company, GSGL or MBGL may prevent the completion of the share purchase transaction.

There are a number of conditions to the acquisition which are outside the control of the Company, GSGL or MBGL including, but not limited to, receipt of shareholder approvals, the ability of the Company to satisfy the requirements of the Canadian Securities Exchange, and any other required third party or regulatory approvals. If for any reason the conditions to the acquisition are not satisfied or waived and the acquisition is not completed, the market price of the Company’s common shares may be adversely affected.

The Company may fail to realize anticipated benefits of the acquisition.

In the event the share purchase transaction is completed, the intended reasons for the acquisition and the anticipated benefits may not materialize or be realized. Achieving the benefits of acquisitions depends in part on successful integration of the two companies in a timely and efficient manner. Such integration may require substantial management effort, time, and resources; may divert management's focus from other strategic opportunities and operational matters; and ultimately the Company and GSGL may fail to realize the anticipated benefits of the acquisition.

Actual revenue and cost synergies, if achieved at all, may not be achieved at the levels expected and may take longer than anticipated. If these challenges are not adequately addressed, the Company may be unable to realize the anticipated benefits of the share purchase transaction. An inability to realize the full extent of, or any of, the anticipated benefits of the share purchase transaction could have an adverse effect on the Company's business and results of operations, which may affect the value of the Company’s common shares.

Failure to complete the share purchase transaction could negatively impact the market price of the Company’s common shares and future business and financial results.

If the share purchase transaction is not completed for any reason, the Company’s ongoing business and financial results may be adversely affected. In addition, if the share purchase transaction is not completed, the price of the Company’s common shares may decline to the extent that the current market price of the Company’s common shares reflect a market assumption that the share purchase transaction will be completed and that the related benefits will be realized, or as a result of the market's perceptions that the share purchase transaction was not consummated due to an adverse change in the Company's business or financial condition.

Whether or not the share purchase transaction is completed, the pending transaction could adversely affect the Company's operations because matters relating to the share purchase transaction require substantial commitments of time and resources by management of the Company that could otherwise have been devoted to other opportunities that may have been beneficial to the Company.

The Company cannot guarantee when, or whether, the share purchase transaction will be completed, that there will not be a delay in the completion of the share purchase transaction or that all or any of the anticipated benefits of the share purchase transaction will be obtained. If the share purchase transaction is not completed or is delayed, the Company may experience the risks discussed above which may adversely affect the Company’s business, financial results and share price.

The dilutive effect on the Company’s shareholders arising from the share purchase transaction will impact share value.

With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power. Pursuant to the share purchase transaction, former MBGL shareholders will receive common shares of the Company upon the conversion of convertible debentures at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, which will be dilutive to shareholders of the Company.

The common shares of the Company to be issued in connection with the share purchase transaction may have a market value different than expected.

A significant number of the Company’s common shares will be issued and will become available for trading in the public market. The increase in the number of common shares may lead to sales of such common shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, the Company’s common shares.

The share purchase agreement may be terminated by the Company, GSGL or MBGL in certain *circumstances.*

The Company, GSGL and MBGL each have the right to terminate the share purchase agreement in certain circumstances. Accordingly, there is no certainty that the share purchase agreement will not be terminated by the Company, GSGL or MBGL before the completion of the share purchase transaction. For example, each party has the right to terminate the share purchase agreement if the other party is in material breach of the share purchase agreement. It is possible that one or more circumstances may arise which would give either party the right to terminate the share purchase agreement, in which case the share purchase transaction would not proceed.

The ability of the Company to develop and operate the business post-acquisition may be impaired.

The ability to operate the business is subject to many risks and uncertainties. These include the ability of the Company and its management to direct the business of the Company, to focus on the business of MBGL, and to satisfy the requirements for ongoing capital for the combined business, the Company will be required to obtain adequate financing. If equity financing is required, such financings could result in significant additional dilution to existing shareholders.

Outlook

The Company's primary focus for the foreseeable future will be on reviewing its financial position, continuing exploration activities on its mineral property and financing new business ventures in the mineral resource industry.

Approval

The board of directors of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional disclosure of the Company's technical reports, material change reports, news release and other information can be obtained on SEDAR at www.sedar.com.