BLUEBIRD BATTERY METALS INC (formerly Golden Peak Minerals Inc.)	**Management Discussion and Analysis** **For the Year Ended August 31, 2018**

FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the year ended August 31, 2018 contains forward-looking information including forward-looking information about BlueBird Battery Metals Inc.'s (formerly Golden Peak Minerals Inc.) (the "Company" or "BlueBird") operations, estimates, and exploration and acquisition spending.

Forward-looking information is generally signified by words such as "forecast", "projected", "expect", "anticipate", believe", "will", "should" and similar expressions. This forward-looking information is based on assumptions that the Company believes were reasonable at the time such information was prepared, but assurance cannot be given that these assumptions will prove to be correct, and the forward-looking information in this report should not be unduly relied upon. The forward-looking information and the Company's assumptions are subject to uncertainties and risks and are based on a number of assumptions made by the Company, any of which may prove to be incorrect.

GENERAL

This Management Discussion and Analysis ("MD&A") of the financial condition, results of operations and cash flows of the Company for the year ended August 31, 2018 should be read in conjunction with the audited financial statements as at August 31, 2018 and 2017. This MD&A is effective December 13, 2018. Additional information relating to the Company is available on SEDAR at www.sedar.com.

The Company has prepared its audited financial statements for the year ended August 31, 2018 in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

DESCRIPTION OF BUSINESS

The Company is an exploration stage company incorporated pursuant to the British Columbia *Business Corporations Act* on March 31, 2011. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. The Company changed its name from Golden Peak Minerals Inc. to BlueBird Battery Metals Inc. on April 17, 2018. The Company's shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "BATT" and on the OTCQB under the symbol "BBBMF". The address of the Company's corporate office and its principal place of business is 1680 – 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6.

The Company is currently focusing its financial resources on conducting exploration programs. The Company has not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the resource properties and upon future profitable production or proceeds from the disposition thereof.

EXPLORATION AND EVALUATION ASSETS

Total costs incurred on exploration and evaluation asset are summarized as follows:

	Atikwa Lake/Maybrun Properties	Hemlo Properties	Canegrass Property	Ashburton Property	Batt Property	Other Properties	Total
Acquisition Costs							
Balance, August 31, 2016	**$ 61,209**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 307,750**	**$ 368,959**
Acquisition and option payments (cash)	56,480	205,000	-	-	-	50,000	311,480
Acquisition and option payments (shares)	607,000	2,074,500	-	-	-	110,000	2,791,500
Claim costs	1,264	10,522	-	-	-	-	11,786
Impairment	-	-	-	-	-	(467,750)	(467,750)
Balance, August 31, 2017	**725,953**	**2,290,022**	**-**	**-**	**-**	**-**	**3,015,975**
Acquisition and option payments (cash)	-	-	50,000	25,000	25,000	-	100,000
Acquisition and option payments (shares)	-	883,500	945,707	-	67,500	-	1,896,707
Claim costs	1,331	1,016	-	-	-	-	2,347
Impairment	(17,000)	(3,174,538)	-	-	-	-	(3,191,538)
Balance, August 31, 2018	**$ 710,284**	**$ -**	**$ 995,707**	**$ 25,000**	**$ 92,500**	**$ -**	**$ 1,823,491**
Deferred Exploration Expenditures							
Balance, August 31, 2016	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 25,000**	**$ 25,000**
Camp and other	72,223	438,161	-	-	-	80,173	590,557
Geological	108,823	346,460	-	-	-	159,647	614,930
Geophysics	-	129,762	-	-	-	-	129,762
Impairment	-	-	-	-	-	(264,820)	(264,820)
Balance, August 31, 2017	**181,046**	**914,383**	**-**	**-**	**-**	**-**	**1,095,429**
Camp and other	6,000	15,100	5,077	4,685	-	-	30,862
Drilling	-	-	90,933	-	-	-	90,933
Geological	84,350	13,750	114,911	3,335	48,629	-	264,975
Geophysics	-	158,523	63,972	-	-	-	222,495
Impairment	(12,628)	(1,101,756)	-	-	-	-	(1,114,384)
Balance, August 31, 2018	**$ 258,768**	**$ -**	**$ 274,893**	**$ 8,020**	**$ 48,629**	**$ -**	**$ 590,310**
Total Exploration and Evaluation Assets							
Balance, August 31, 2017	**$ 906,999**	**$ 3,204,405**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 4,111,404**
Balance, August 31, 2018	**$ 969,052**	**$ -**	**$ 1,270,600**	**$ 33,020**	**$ 141,129**	**$ -**	**$ 2,413,801**

Atikwa Lake / Maybrun Property

The Atikwa Lake Property is located in northwestern Ontario in the Rainy River district, an emerging gold camp. The Company has assembled a land position centered around the Maybrun Mine, a past- producing gold-copper deposit.

On February 4, 2016, the Company entered into an agreement to acquire a 100% undivided interest in 20 mineral claims located in Ontario. As consideration, the Company issued 75,000 common shares of the Company at a value of $60,000.

In March 2017, an additional five claims were acquired for $6,480.

On April 7, 2017, the Company entered into an agreement to acquire a 100% interest in the Maybrun Property located in Ontario. As consideration, the Company issued 1,200,000 common shares at a value of $600,000 and paid $40,000 in cash.

The vendors retained a 2% net smelter return royalty (“NSR”) on the property. The Company has the option to purchase 1% of the 2% NSR (one-half) at a price of $1,000,000.

On June 19, 2017, the Company entered into an option agreement to acquire additional claims on the Atikwa Lake Property. Under the terms of the option agreement, the Company could earn a 100% interest by making payments as follows:

- Issuing 25,000 common shares of the Company (issued) and making a cash payment of $10,000 (paid) upon approval by the TSX-V;
- Issuing 25,000 common shares of the Company and making a cash payment of $25,000 by June 23, 2018;
- Issuing 50,000 common shares of the Company and making a cash payment of $35,000 by June 23, 2019; and
- Issuing 85,000 common shares of the Company and making a cash payment of $60,000 by June 23, 2020.

The Company was also required to incur exploration expenditures on the additional claims as follows:

- $50,000 on or before June 19, 2018;
- An additional $75,000 on or before June 19, 2019; and
- An additional $150,000 on or before June 19, 2020.

The vendors retained a 2% NSR on the property. The Company had the option to purchase 1% of the 2% NSR (one-half) at a price of $1,000,000.

On April 6, 2018, the Company provided termination notice to the vendors of the June 19, 2017 option agreement. The Company recorded an impairment of $29,628 as a result of the termination.

Canegrass Property

On March 15, 2018, the Company entered into an option agreement with Trafalgar Resources Pty. Ltd. (“Trafalgar”) to acquire a 100% interest in the Canegrass Property, located in the Mount Magnet region of Western Australia.

In consideration, the Company must make payments as follows:

- Cash payment of $25,000 (paid) and issuance of 3,000,000 common shares of the Company (issued) upon approval by the TSX-V (approval received on March 21, 2018);
- Issuance of an additional 1,875,000 common shares of the Company on or before March 21, 2019; and
- Issuance of an additional 1,875,000 common shares of the Company on or before March 21, 2020.

The Company must also incur exploration expenditures as follows:

- $500,000 on or before March 21, 2019;
- An additional $1,000,000 on or before March 21, 2020; and
- An additional $1,500,000 on or before March 21, 2021.

A finder's fee of 261,058 shares (issued and valued at $75,707) was paid in relation to the agreement. Subject to further TSX-V approval, a discovery bonus of 1,500,000 common shares of the Company will be issued in the event of discovery of a copper/cobalt equivalent resource of 250,000 ounces or greater on the Canegrass Property.

The Company also paid a $25,000 letter of intent ("LOI") fee to Trafalgar during the year ended August 31, 2018.

Phase One Exploration Program

On August 7, 2018, the Company reported the results of surface rock chips collected at VTEM-08 during the cultural survey of the planned drill sites, returning anomalous vanadium, titanium and iron values. The results fell within a broad, elongate, V_2O_5 surface anomaly defined by historical rock chip samples (Refer to the press release dated August 7, 2018).

On October 23, 2018, the Company announced results for five reverse circulation holes drilled near VTEM-08. The holes were drilled on one section and spaced 80 metres between holes. The initial hole on the section BBRC001 targeted the VTEM-08 anomaly to evaluate for potential magmatic nickel, copper sulphide mineralization. The remaining four holes on the section targeted a broad, elongate, coincident rock geochemical surface anomaly (vanadium) and magnetic anomaly measuring 4,500 metres by 500 metres. Significant assay results were as follows:

Hole ID	From (m)	To (m)	Interval [1] (m)	V_2O_5 (%)
BBRC001	0.00	102.00	102.00	**0.36**
including	35.00	55.00	20.00	**0.49**
and	64.00	81.00	17.00	**0.78**
including	72.00	80.00	8.00	**1.03**
BBRC002	0.00	121.00	121.00	**0.31**
including	38.00	61.00	23.00	**0.46**
and	100.00	119.00	19.00	**0.53**
including	110.00	119.00	9.00	**0.68**

BBRC003	0.00	85.00	85.00	**0.16**
including	32.00	34.00	2.00	**0.48**
BBRC004	25.00	78.00	53.00	**0.23**
including	39.00	42.00	3.00	**0.39**
and	62.00	63.00	1.00	**0.63**
BBRC005	8.00	63.00	55.00	**0.21**
including	30.00	38.00	8.00	**0.58**
including	35.00	38.00	3.00	**0.88**

(1) The intervals noted in the above table are measured downhole and are not true width. There is insufficient information at this time to determine the true width of the mineralized zone.

On November 29, 2018, the Company announced results from five diamond drill holes. All holes during the Phase One drill program targeted VTEM anomalies. The diamond drill campaign consisted of 1,380 metres and all holes intersected anomalous Ni, Cu, and Co grades, establishing a trend with a 4,500-metre strike length within magnetite-rich gabbro-norites trend Significant assay results are presented in the following table:

Hole ID	**From (m)**	**To (m)**	**Interval (1) (m)**	**Ni (%)**	**Cu (%)**	**Co (%)**	**Target**
BBDD001	142.96	144.66	1.70	1.20	0.41	0.10	VTEM-06
including	144.09	144.66	0.57	3.07	0.62	0.24	
BBDD002	243.15	257.40	14.25	0.69	0.82	0.05	CG-039
including	250.80	255.70	4.90	1.33	1.26	0.10	
BBDD003	225.80	227.00	1.20	0.48	0.98	0.06	CG-02
BBDD004	275.00	279.00	4.00	0.25	0.41	0.05	CG-02
including	277.85	279.00	1.15	0.37	0.70	0.08	
BBDD005	255.70	263.00	7.30	0.14	0.31	0.02	CG-02
including	256.75	257.15	0.40	0.50	1.51	0.06	

(1) The intervals noted in the above table are measured downhole and are not true width. There is insufficient information at this time to determine the true width of the mineralized zone.
(2) Platinum and palladium assay results are pending.

The technical content in this MD&A has been reviewed and approved by Wesley Hanson, P.Geo., a director of the Company and a Qualified Person pursuant to National Instrument 43-101.

<u>Ashburton Project</u>

On August 8, 2018, the Company entered into an agreement to acquire a 100% interest in the Ashburton project, located in Western Australia.

In consideration, the Company must make payments as follows:

- Issuing common shares of the Company worth $750,000 (issued subsequent to August 31, 2018) upon completion; and

- Issuing common shares of the Company worth $750,000 on the first anniversary of the completion date.

The Company also paid a $25,000 LOI fee to the vendor during the year ended August 31, 2018.

<u>Batt Property</u>

On March 26, 2018, the Company entered into an option agreement with Strategic Metals Ltd. ("Strategic") to acquire an 80% interest in the Batt Property, located in Yukon Territory.

In consideration, the Company paid cash of $25,000 and issued 250,000 common shares of the Company valued at $67,500.

The Company must also incur exploration expenditures as follows:

- $50,000 on or before March 31, 2019 (incurred subsequent to August 31, 2018);
- An additional $150,000 on or before March 31, 2020; and
- An additional $300,000 on or before March 31, 2021.

Strategic retains a 1% NSR on the property. In the case the option agreement terms are met, a joint venture ("JV") will be formed between the Company and Strategic. Should Strategic's JV participation drop below 10%, the NSR will increase to 2%. At that time, the Company may repurchase 1% (one-half) of the NSR for $1,000,000, subject to further TSX-V approval.

<u>Hemlo Properties</u>

<u>Heikki Property</u>

On October 28, 2016, and as amended November 17, 2017, the Company entered into four option agreements to acquire the Esa, Kulta, Seija and Soturi properties, collectively, the Heikki Property.

Under the terms of the option agreement, the Company could earn a 100% interest by making payments as follows:

- Issuing 2,600,000 common shares of the Company (issued and valued at $1,040,000) and making a cash payment of $105,000 (paid) upon approval by the TSX-V;
- Issuing 3,100,000 common shares of the Company by January 31, 2018; and
- Issuing 1,750,000 common shares of the Company by November 17, 2018.

The vendors retained a 3% NSR on the property. The Company had the option to purchase 1% of the 3% NSR (one-third) at a price of $500,000.

On August 9, 2017, the Company announced initial results of a completed airborne VTEM™ survey and the completion and filing of the initial National Instrument ("NI") 43-101 Technical Report on the Heikki Property.

NI-43-101 Technical Report Highlights:

- The Report, based on positive merits of the project and exploration potential, recommends:

  - Completion of a CAD$2.6 million, two phase exploration program that includes airborne and surface geophysics, regional and local scale geological mapping and sampling (Phase 1) followed by compilation, interpretation and diamond drilling (Phase 2).
- The Report also provides a recommendation that the area where the metasedimentary and intermediate/mafic volcanic rocks are in contact with the Cedar Lake Pluton is a prime exploration target.

The Company filed the Report entitled *N.I. 43-101 Technical Report on the Heikki Hemlo Property* dated July 17, 2017. The Report was authored by independent consultants Peter Caldbick, P.Geo. and J. Garry Clark, P.Geo. The Report is available on SEDAR (www.sedar.com) under the Company's profile.

On April 6, 2018, the Company provided termination notice to the vendors of the Heikki Property. The Company issued 3,100,000 common shares of the Company valued at $883,500 in relation to the January 31, 2018 payment. The Company recorded an impairment of $2,997,499 as a result of the termination.

Hemlo East

On January 27, 2017, the Company entered into an option agreement to acquire the Hemlo East Property, located in Ontario. Under the terms of the option agreement, the Company could earn a 100% interest by making payments as follows:

- Issuing 750,000 common shares of the Company (issued and valued at $352,500) and making a cash payment of $100,000 (paid) upon approval by the TSX-V;
- Issuing 500,000 common shares of the Company and making a cash payment of $100,000 by February 8, 2018;
- Issuing 500,000 common shares of the Company and making a cash payment of $100,000 by February 8, 2019; and
- Issuing 500,000 common shares of the Company and making a cash payment of $40,000 by February 8, 2020.

The Company was also required to incur exploration expenditures on the property as follows:

- $600,000 on or before January 27, 2018;
- An additional $600,000 on or before January 27, 2019; and
- An additional $600,000 on or before January 27, 2020.

The vendor retained a 2.5% NSR on the property. The Company had the option to purchase 0.5% of the 2.5% NSR (one-fifth) at a price of US $1,000,000.

On January 31, 2018, the Company provided termination notice to the vendor of the Hemlo East Property. The Company recorded an impairment of $591,195 as a result of the termination.

Hemlo East Extension and Hemlo West

On May 31, 2017, and as amended December 18, 2017 and January 31, 2018, the Company entered into two agreements to acquire additional claims in the Hemlo area. Under the terms of the agreements, the Company could earn a 100% interest by making payments as follows:

- Issuing 2,200,000 common shares of the Company upon approval by the TSX-V (issued and valued at $682,000); and

- Issuing 1,000,000 common shares of the Company and making a cash payment of $500,000 by March 2, 2018.

The vendors retained a 2% NSR on each property. The Company had the option to purchase 1% of each 2% NSR (one-half) at a price of $1,000,000 each.

On April 6, 2018, the Company provided termination notice to the vendors of the Hemlo East Extension Property and Hemlo West Property. The Company recorded an impairment of $687,600 as a result of the terminations.

Other Properties

See audited financial statements for details of properties written off during the August 31, 2017 fiscal year.

Flow-through

At August 31, 2018, the Company had no remaining commitment to incur exploration expenditures in relation to its December 2016 flow-through share financing.

SELECTED ANNUAL INFORMATION

	August 31, 2018 $	August 31, 2017 $	August 31, 2016 $
Revenue	-	-	-
Net loss	(6,300,245)	(1,751,417)	(575,236)
Basic and diluted loss per share	(0.22)	(0.14)	(0.37)
Total assets	2,836,018	4,365,163	400,988
Long-term debt	-	-	-
Dividends	-	-	-

SUMMARY OF QUARTERLY RESULTS
($000s except earnings per share)

For the Quarter Periods Ending on	August 31, 2018 $	May 31, 2018 $	February 28, 2018 $	November 30, 2017 $
Revenue	-	-	-	-
Net loss	(934)	(1,033)	(4,214)	(119)
Basic and diluted loss per common share	(0.02)	(0.03)	(0.16)	(0.01)

For the Quarter Periods Ending on	August 31, 2017 $	May 31, 2017 $	February 28, 2017 $	November 30, 2016 $
Revenue	-	-	-	-
Net loss	(788)	(574)	(81)	(308)
Basic and diluted loss per common share	(0.04)	(0.04)	(0.01)	(0.06)

OPERATIONS

Year Ended August 31, 2018

During the year ended August 31, 2018, the Company reported a net loss of $6,300,245 (2017 - $1,751,417). Variations in expenses from the year ended August 31, 2018 to the year ended August 31, 2017 were as follows:

- Consulting fees of $607,319 (2017 - $396,309) increased as the Company engaged additional consultants later in the 2017 fiscal year that continued into 2018;
- Management fees of $392,419 (2017 - $116,750) increased primarily as a result of payments to the former CEO of $135,000 and former President of $112,500 upon termination of their respective consulting agreements;
- Office and general of $48,226 (2017 - $15,064) increased due to more exploration activity in the current period resulting in higher office and general expenses;
- Pre-exploration costs of $50,000 (2017 - $nil) related to LOI payments which the Company decided to terminate;
- Professional fees of $136,556 (2017 - $18,729) increased due to increased legal fees related to property acquisitions in Australia;
- Rent of $36,000 (2017 - $18,681) increased as the rental rate was higher in 2018;
- Share-based payments of $377,006 (2017 - $421,627) was the result of fewer options granted in 2018;
- Shareholder communications and investor relations of $141,107 (2017 - $101,314) was the result of increased promotional activity for the Company in 2018;
- Transfer agent and filing fees of $44,518 (2017 - $86,455) were higher in 2017 due to more property filings and the costs of a US listing;
- Travel of $178,719 (2017 - $11,409) increased as a result of travel costs to Australia, as well as for increased promotional activity;
- Impairment of exploration and evaluation assets of $4,305,922 (2017 - $732,570) relates to the impairment of the Hemlo properties and a portion of the Atikwa/Maybrun property in 2018, while in 2017 it related to the impairment of the Grenfell, Lac Lapointe, Foubert Lake and Oyster properties;
- Other income of $25,338 (2017 - $278,112) relates to the reduction of other liability (which reflects the premium paid by investors on the Company’s 2016 flow-through share grant) upon completion of qualifying exploration expenditures by the Company; and
- Loss on settlement of accounts payable of $nil (2017 - $107,333) is the result of the Company issuing shares and warrants to settle accounts payable and the timing creating a difference in the valuation of the securities issued.

Three Months Ended August 31, 2018

During the three months ended August 31, 2018, the Company reported a net loss of $933,657 (2017 - $788,183). Variations in expenses from the three months ended August 31, 2018 to the three months ended August 31, 2017 were as follows:

- Consulting fees of $173,375 (2017 - $101,828) increased as the Company engaged more consultants during the fourth quarter of 2018 than the same period in 2017;
- Management fees of $304,919 (2017 - $15,000) increased primarily as a result of payments to the former CEO of $135,000 and former President of $112,500 upon termination of their respective consulting agreements;
- Office and general of $23,336 (2017 - $1,439) increased due to more exploration activity in the current period resulting in higher office and general expenses;
- Pre-exploration costs of $50,000 (2017 - $nil) related to LOI payments for which the Company decided to terminate;
- Professional fees of $97,205 (2017 - $14,000) increased due to increased legal fees related to property acquisitions in Australia;
- Rent of $9,000 (2017 - $5,156) increased as the rental rate was higher in 2018;
- Shareholder communications and investor relations of $61,616 (2017 - $11,209) was the result of increased promotional activity for the Company in 2018;
- Transfer agent and filing fees of $12,323 (2017 - $6,867) increased due to filing fees related to acquisitions;
- Travel of $64,548 (2017 - $2,722) increased as a result of travel costs to Australia, as well as for increased promotional activity;
- Impairment of exploration and evaluation assets of $nil (2017 - $672,570) relates to the impairment of the Grenfell, Lac Lapointe and Foubert Lake properties in Q4 2017; and
- Other income of $nil (2017 - $43,002) relates to the reduction of other liability (which reflects the premium paid by investors on the Company's 2016 flow-through share grant) upon completion of qualifying exploration expenditures by the Company.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash at August 31, 2018 was $260,836, compared to $178,018 at August 31, 2017. The working capital was $2,574 (2017 - $36,720).

The Company will need to raise additional financing in order to meet general working capital requirements for the 2019 fiscal year and to make option payments and continue exploration on its mineral properties. Subsequent to August 31, 2018, the Company received proceeds of $460,767 on the exercise of 2,408,833 share purchase warrants and 200,000 stock options.

SUBSEQUENT EVENTS

The following subsequent events are not discussed elsewhere in this MD&A:

a) Subsequent to August 31, 2018, the Company issued 2,403,833 common shares for proceeds of $420,767 on the exercise of 2,403,833 share purchase warrants and 200,000 common shares for proceeds of $40,000 on the exercise of 200,000 stock options.

b) Subsequent to August 31, 2018, 1,075,000 stock options and 371,500 warrants expired unexercised.

c) On October 9, 2018, the Company issued 1,633,631 common shares for the Ashburton project.

d) On November 1, 2018, the Company issued 300,000 stock options to a consultant with an exercise price of $0.25 and an expiry date of November 1, 2020.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

These amounts of key management compensation are included in the amounts shown on the consolidated statements of comprehensive loss:

		2018		2017
Consulting fees	$	14,125	$	55,500
Geological	$	102,083	$	58,333
Management fees*	$	392,419	$	116,750
Share-based compensation	$	210,289	$	94,402

* includes $135,000 (2017 - $nil) paid to the former Chief Executive Officer and $112,500 (2017 - $nil) paid to the former President upon termination of their respective consulting agreements.

Key management includes directors and officers of the Company, including the Chief Executive Officer and Chief Financial Officer.

During the year ended August 31, 2018, the Company paid $14,125 (2017 - $55,500) for consulting fees to companies controlled by directors, $392,419 (2017 - $116,750) for management fees to companies controlled by directors and officers and $36,000 in rent to a company in which an officer of the Company is an officer and director (2017 - $18,681 in rent to companies controlled by directors).

As at August 31, 2018, included in accounts payable and accrued liabilities is $31,465 (2017 - $3,216) due to a company controlled by an officer of the Company and $nil (2017 - $47,032) due to a company in which an officer of the Company is an officer and director for shared administrative costs. These amounts are unsecured, non-interest-bearing and have no fixed terms of repayment.

COMMITMENTS

The Company is obligated to make certain payments and issue shares in connection with the acquisition of its exploration and evaluation assets.

NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods noted below. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

Accounting standards effective January 1, 2018

IFRS 9 *Financial Instruments*

IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. Additional amendments include introduction of new hedge accounting model and a new expected-loss impairment model. This standard is effective for annual periods beginning on or after January 1, 2018.

Adoption of this accounting standard is not expected to have a material impact on the Company's consolidated financial statements.

IFRS 2 *Share-based Payments*

In June 2016 the Board issued the final amendments to IFRS 2, which amended (a) the effects that vesting conditions have on the measurement of a cash-settled share-based payment; (b) the accounting for modification of the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled; and (c) classification of share-based payment transactions with net settlement features. This standard is effective for annual periods beginning on or after January 1, 2018.

Adoption of this accounting standard is not expected to have a material impact on the Company's consolidated financial statements.

IFRS 15 *Revenue from Contracts with Customers*

On May 28, 2014 the IASB issued IFRS 15, which will replace International Accounting Standard ("IAS") 11 *Construction Contracts*, IAS 18 *Revenue*, IFRIC 13 *Customer Loyalty Programmes*, IFRIC 15 *Agreements for the Construction of Real Estate*, IFRIC 18 *Transfers of Assets from Customers* and SIC 31 *Revenue – Barter Transactions Involving Advertising Services*. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time; or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized. The new standard applies to contracts with customers. It does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRS. This standard is effective for annual periods beginning on or after January 1, 2018.

Adoption of this accounting standard is not expected to have a material impact on the Company's consolidated financial statements.

Accounting standard effective January 1, 2019

IFRS 16 *Leases*

On January 13, 2016 the IASB issued IFRS 16. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17 *Leases*, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have been impacted, including the definition of a lease. The new standard is effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted for entities that apply IFRS 15 at or before the date of initial adoption of IFRS 16.

The Company has not yet begun the process of assessing the impact that the new and amended standard will have on its consolidated financial statements or whether to early-adopt any of the new requirements.

CRITICAL ACCOUNTING POLICIES

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed below.

Impairment of exploration and evaluation assets

The application of the Company's accounting policy for exploration and evaluation expenditures and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

Title to mineral property interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability, including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities.

In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity that are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Going concern risk assessment

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation assets when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. The consolidated financial statements do not give effect to any adjustments required to realize it assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the consolidated financial statements.

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the consolidated financial statements.

Decommissioning liabilities

Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs that will reflect the market condition at the time the rehabilitation costs are actually incurred.

The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for. As at August 31, 2018, the Company has no known rehabilitation requirements, and accordingly, no provision has been made.

Valuation of flow-through premium

The determination of the valuation of flow-through premium and warrants in equity units is subject to significant judgment and estimates. The flow-through premium is valued as the estimated premium that investors pay for the flow-through feature, being the portion in excess of the market value of shares without the flow-through feature issued in concurrent private placement financing. In the case that the Company did not issue non-flow-through shares together with the flow-through shares, the market value of shares without the flow-through feature will be determined using their closing quoted bid price.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments include cash and accounts payable. Cash is classified as fair value through profit or loss. Accounts payable is classified as other financial liabilities. The carrying values of these instruments approximate their fair values due to the relatively short periods to maturity of these instruments.

Financial risk management objectives and policies

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. To minimize the credit risk on cash, the Company places its cash with a major Canadian financial institution.

Liquidity risk

The Company manages liquidity risk by maintaining a balance between continuity of funding and flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at August 31, 2018, the Company had cash of $260,836 (August 31, 2017 - $178,018) to settle accounts payable and accrued liabilities of $419,643 (August 31, 2017 - $191,701), which fall due for payment within 30 days of August 31, 2018. All of the liabilities presented as accounts payable are due within 30 days of the reporting date.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

i) *Currency risk* – The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal. The Company does not have any significant foreign currency denominated monetary assets or liabilities.

ii) *Interest rate risk* – The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant, as the deposits are short-term. The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company has no interest-bearing financial liabilities.

iii) *Other price risk* – Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk. The Company does not have significant exposure to this risk.

SHARE CAPITAL

As at December 13, 2018, the Company had the following securities issued and outstanding:

	December 13, 2018	August 31, 2018	August 31, 2017
Common Shares	46,739,513	42,502,049	17,855,453
Warrants	12,066,072	14,841,405	4,188,566
Stock Options	2,325,000	3,300,000	1,389,000
Fully Diluted Shares	61,130,585	60,643,454	23,433,019

BOARD OF DIRECTORS

Certain directors of the Company are also directors, officers and/or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploring natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required to act in good faith with a view to the best interests of the Company and to disclose any interest that they may have in any project opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his/her interest and abstain from voting in the matter(s). In determining whether the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

Current directors of the Company are as follows:

Nav Dhaliwal, CEO and Director
Gary Nassif, President and Director
Wesley Hanson, Director
Leigh Hughes, Director