Management Discussion and Analysis
For the Three Months Ended November 30, 2017

FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the three months ended November 30, 2017 contains forward-looking information, including forward-looking information about Melkior Resources Inc.'s (the "Company" or "Melkior") 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

The following Management Discussion and Analysis ("MD&A") is presented in Canadian dollars and should be read in conjunction with the condensed interim financial statements for the three months ended November 30, 2017, which are presented in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"), and the audited financial statements for the years ended August 31, 2017 and 2016 of the Company, which are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the IASB. The following information is prepared as at January 24, 2018. The Board of Directors of the Company has approved the disclosure contained in this MD&A.

Additional information related to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.melkior.com.

DESCRIPTION OF BUSINESS

The Company incorporated under the *Business Corporations Act* (Canada), is a junior mining exploration company operating in Canada. The Company's operations include the acquisition and exploration of mineral properties in Canada. The address of the registered office is 1680 – 200 Burrard Street, Vancouver, British Columbia, Canada, V6C 3L6, and its principal place of business is 207 - 66 Brousseau Avenue, Timmins, Ontario, Canada, P4N 5Y2. The Company's shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "MKR", on the OTCQX Exchange in the United States under the symbol "MKRIF" and on the Frankfurt Stock Exchange under the symbol "MEK".

Melkior. is in the business of the acquisition, exploration, exploration management and sale of mineral properties, with the primary aim of advancing them to a stage where they can be exploited at a profit. We do not currently have any producing properties, and our current operations are exploratory searches for mineable deposits of minerals. Our focus is the Urban Area in the province of Quebec, and the Hemlo and Timmins Area in the province of Ontario.

EXPLORATION PROJECT - TIMMINS

Carscallen

The Carscallen property covers 16.64 square kilometres for a total of 104 claim units and is located 25 kilometres due west of the city of Timmins, Ontario. Access to the property is excellent, via a series of roads and trails that connect to Highway 101.

The Company holds a 100% interest in the property. Some claims are subject to a 1.5% net smelter return royalty (“NSR”) while another group of claims is subject to a 2% NSR of which the Company has the right to buy-out half (1%) of the NSR for $1,000,000.

In October and November 2010, the Company signed three agreements to acquire 100% interests in additional mining claims in consideration of $10,000 cash and two 2% NSR royalties, of which 1% can be repurchased for $500,000 each.

In October 2013, the Company signed a memorandum of understanding (“MOU”) with the Mattagami First Nation. As part of the MOU, the Company issued 200,000 common shares (valued at $8,000) on December 23, 2013. The Company will pay 2% of all exploration costs eligible for assessment credit to the Mattagami First Nation.

On April 7, 2016, the Company issued 210,000 common shares (valued at $8,400) for the acquisition of a 100% interest in an additional mining claim, totaling 64 hectares, from an arm’s length party.

During the year ended August 31, 2017, the Company acquired additional claims through cash purchase agreements and staking. One of the claims is subject to a 2% NSR.

During the three months ended November 30, 2017, the Company entered into three agreements for the purchase of 6 additional claims for the Carscallen property. The Company paid $12,500 and issued 100,000 common shares (valued at $7,000) as consideration. Two of the claims are subject to a 2% NSR.

Exploration results from the Company’s 2016 exploration program on the Carscallen property can be found on the Company’s website and on www.sedar.com.

On November 15, 2017, the Company announced it had received final assay results on its 2017 Carscallen drill program. Results are presented below:

Drill Hole Location						Select Assay Results			
Drill Hole	East	North	EOH	Dip	Azimuth	From (m)	To (m)	Width (m)	Au (ppm)
CAR-17-1	451337	5358114	161	45	180				
						75.53	75.93	0.40	4.78
						80.33	81.09	0.76	3.25
CAR-17-2	451475	5358028	113	45	240				
						16.00	16.40	0.40	36.10
CAR-17-3	451439	5358080	89	45	240				
						16.00	17.20	1.20	0.63
CAR-17-4	451436	5358124	317	45	240				
						152.00	153.00	1.00	1.17
						153.00	153.65	0.65	0.79
						153.65	155.26	1.61	3.25
						159.45	159.90	0.45	2.82
CAR-17-5	451436	5358124	116	45	60				
						9.70	10.35	0.65	12.10
CAR-17-6	451115	5357994	233	45	60				
CAR-17-7	451043	5357696	259	45	270				
						38.90	39.65	0.75	6.84
CAR-17-8	450928	5357593	122	45	270				
						57.00	57.45	0.45	6.20
CAR-17-9	450994	5357430	158	45	270				

						53.60	54.00	0.40	1.86
CAR-17-10	450928	5357456	65	45	90				
CAR-17-11	450888	5357424	98	70	90				
CAR-17-12	451761	5356344	47	45	220				
CAR-17-13	451738	5356577	557	43	250				
						72.40	74.00	1.60	21.80
						87.00	88.00	1.00	1.33
						89.00	90.00	1.00	0.99
						173.55	174.40	0.85	0.79
						226.25	227.25	1.00	0.54
						268.65	269.55	0.90	0.32
						273.85	274.45	0.60	2.58
						291.65	292.18	0.53	8.73
CAR-17-14	451736	5356624	195	50	250				
						65.20	66.00	0.80	49.10
						66.00	66.80	0.80	14.20
CAR-17-15	451736	5356624	164	70	250				
CAR-17-16	451741	5356521	710	51	250				
						77.60	77.90	0.30	17.50
						77.90	79.10	1.20	0.36
						191.45	191.85	0.40	6.63
						243.36	244.16	0.80	0.60
						267.00	268.00	1.00	0.08
						277.70	278.00	0.30	4.18
						283.00	283.45	0.45	0.69
						292.40	292.75	0.35	1.16
						367.41	368.00	0.59	0.47
						368.00	368.85	0.85	0.69

A detailed discussion on the drill results is posted on the Melkior website (http://www.melkior.com/wp-content/uploads/MKR-Interim-Drilling-Results-Carscallen-2017.pdf).).

Big Marsh and Bristol

During the year ended August 31, 2017, the Company paid $5,000 for a 100% interest in a claim located in the Carscallen Township. This claim is part of the Big Marsh property, where the Company has existing claims. The previous claims were deemed impaired during the year ended August 31, 2016.

The Company holds a 100% interest in claims forming the Bristol property acquired through staking during the year ended August 31, 2017.

For 2018, the Company intends to use the drill results on Carscallen and follow-up ground work to generate additional drill targets on its Timmins properties. The Company will also look to acquire additional strategic claims.

EXPLORATION PROJECT – HEMLO/WHITE LAKE

On May 12, 2017, the Company entered into an agreement to acquire a 100% interest in the Hemlo property. The Property is located within the Hemlo greenstone belt, 22 kilometres east of the Hemlo Gold Mine currently operated by Barrick Gold Corporation. The Company paid $5,000 and issued 1,500,000 common shares (valued at $90,000) as consideration. The vendor holds a 3% NSR, of which one-third may be purchased by the Company for $1,000,000.

During the year ended August 31, 2017, the Company acquired additional claims through cash purchase agreements and staking.

For 2018, the Company intends to submit work for assessment credits in order to maintain the claim group in good standing. A progressive exploration program will be planned and implemented.

EXPLORATION PROJECT – URBAN

During the year ended August 31, 2017, the Company acquired claims in the Urban area of Quebec through map staking. The Company has a 100% ownership in the claims and there is no NSR. Melkior's review of available geological and geophysical information and historical work in the Urban Area identified the area selected for map-staking.

On September 19, 2017, the Company announced complete assay results had been received on a soil sampling program. The results can be found at: http://www.melkior.com/maseres-gold-project/assay-results/

The Company is currently planning an airborne VTEM survey and horizontal magnetic gradiometer geophysical survey. A significantly expanded A-Horizon soil sampling is anticipated to be implemented on receipt of the survey data, to be implemented in 2018. On December 22, 2017, the Company closed a private placement of 7,692,307 flow-through common shares at a price of $0.065 for gross proceeds of $500,000. The Company intends to spend the proceeds of the private placement on the Urban project.

OTHER EXPLORATION PROJECTS

Launay

On March 21, 2016, the Company sold an undivided 50% interest in Launay to Beaufield Resources Inc. ("Beaufield") for $150,000 and 3,000,000 common shares of Beaufield, valued at $240,000. This agreement terminated a previous agreement signed in November 2013. The proceeds of the sale were accounted for as a reduction in exploration and evaluation assets of $390,000.

On July 14, 2017, the Company sold the remaining 50% interest in Launay to Beaufield for $125,000 and 2,500,000 common shares of Beaufield, valued at $500,000. The proceeds of the sale were accounted for as a reduction in exploration and evaluation assets of $517,434 and a gain on sale of exploration and evaluation assets of $107,566.

The Company retains a 1.5% NSR on the property, of which one-half may be purchased by Beaufield for $750,000.

Kenty Lake

The Company holds a 49% interest in the Delta-Kenty property located in the Ungava region in Quebec. The deferred exploration and evaluation and expenses of $1,200 were written off during the year ended August 31, 2016.

RESULTS OF OPERATIONS

Three-month period ended November 30, 2017

During the three months ended November 30, 2017 the Company reported a net loss of $192,665 (2016 - $221,396). The Company's loss included expenditures as follows:

- Consulting and management fees of $15,000 (2016 - $18,245) were paid to management;
- General exploration of $nil (2016 - $2,902) decreased, as the exploration activity in 2017 was focused on the core properties;
- Office and general of $5,398 (2016 - $9,824) decreased, as a result of cost-control measures;
- Regulatory fees of $4,279 (2016 - $4,250) remained consistent year to year;
- Salaries and benefits of $nil (2016 - $5,687) were lower in 2017, as there were no employees after the 2016 calendar year-end;
- Travel and promotion of $nil (2016 - $5,213) were lower in 2017 due to cost-control measures; and

- Loss on marketable securities of $167,988 (2016 - $175,844) related to the changes in fair value of the marketable securities.

SELECTED ANNUAL INFORMATION

	August 31, 2017	August 31, 2016	August 31, 2015
Revenue	$ -	$ -	$ -
Net Loss	(163,506)	(93,360)	(568,541)
Basic and Diluted Loss Per Share	(0.00)	(0.00)	(0.00)
Total Assets	8,475,094	8,320,091	7,839,325
Long-Term Debt	-	-	-
Dividends	-	-	-

SUMMARY OF QUARTERLY RESULTS

Results for the eight most recently completed quarters are summarized as follows:

For the Periods Ending	November 30, 2017	August 31, 2017	May 31, 2017	February 28, 2017
Net loss (income)	192,665	3,676	(71,354)	9,788
Loss per share	0.00	0.00	0.00	0.00

For the Periods Ending	November 30, 2016	August 31, 2016	May 31, 2016	February 29, 2016
Net loss	221,396	534	21,552	62,572
Loss per share	0.00	0.00	0.00	0.00

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash of $55,908 and working capital of $498,895 at November 30, 2017, compared to $156,477 of cash and $960,612 of working capital at August 31, 2017.

On December 22, 2017, the Company closed a private placement of 7,692,307 flow-through common shares at a price of $0.065 for gross proceeds of $500,000 to continue exploration on its exploration and evaluation assets. The Company also issued 1,200,000 common shares on the exercise of 1,200,000 share purchase warrants for gross proceeds of $60,000 during the three months ended November 30, 2017.

The Company will need to obtain additional financing in 2018 for working capital purposes and to continue exploration on its exploration and evaluation assets. The Company is evaluating its options for financing, including the sale of marketable securities, further issuance of common shares and the sale of certain exploration and evaluation assets.

TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include companies controlled by officers and close family members of former directors and key management, as described below.

Unless otherwise stated, none of the transactions incorporated special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Key management compensation

The Company's key management personnel are members of the Board of Directors (of which the president of the Company is a member), as well as the current and former chief financial officers and the corporate secretary. Key management compensation is as follows:

	November 30, 2017	November 30, 2016
Consulting and management fees	$ 15,000	$ 18,245
Total key management compensation	$ 15,000	$ 18,245

Consulting and management fees were paid or accrued as follows:

- A company controlled by Joseph Meagher, CFO, amounting to $7,500 (2016 - $nil);
- A company controlled by Carrie Cesarone, Corporate Secretary, amounting to $7,500 (2016 - $nil);
- Sabino Di Paolo, former CEO and CFO, amounting to $nil (2016 - $12,000); and
- Laina Maclean, former CFO, amounting to $nil (2016 - $6,245).

Transactions with other related parties

As at November 30, 2017, the balance due to related parties amounted to $21,000 (August 31, 2017 - $5,250) and was recorded in accounts payable and accrued liabilities

COMMITMENTS

The Company does not have any obligations other than NSR payments on its exploration and evaluation assets.

OFF-BALANCE SHEET ARRANGEMENTS

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

FINANCIAL INSTRUMENTS

Financial instruments are agreements between two parties that result in promises to pay or receive cash or equity instruments. The carrying values of cash, other receivables, marketable securities, and accounts payable and accrued liabilities approximate their fair values due to their short term to maturity.

The following table sets forth the Company's financial assets measured at fair value by levels within the fair value hierarchy:

November 30, 2017	Level 1	Level 2	Level 3	Total
Marketable securities	$ 494,082	$ -	$ -	$ 494,082

August 31, 2017	Level 1	Level 2	Level 3	Total
Marketable securities	$ 662,070	$ -	$ -	$ 662,070

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing at major Canadian financial institutions. The Company is also exposed to credit risk with respect to other receivables. The Company's maximum exposure to credit risk at November 30, 2017 was $75,301 (August 31, 2017 - $175,870).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of November 30, 2017 equal $95,022 (August 31, 2017 - $67,668). All of the liabilities presented as accounts payable are due within 30 days of November 30, 2017. The cash available is sufficient to meet the Company's financial obligations at period-end.

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 has no funds held in a foreign currency, and as a result is not exposed to significant currency risk on its financial instruments at year-end.

ii) *Interest rate risk* - Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. 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 is exposed to other price risk with respect to its marketable securities

Capital management

The Company considers its capital to be comprised of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares. Although the Company has been successful at raising funds in the past through the issuance of capital stock, it is uncertain whether it will continue this method of financing due to the current difficult market conditions.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions.

Management reviews the capital structure on a regular basis to ensure that the above objectives are met. There have been no changes to the Company's approach to capital management during the three months ended November 30, 2017. The Company is not subject to externally imposed capital requirements.

RISKS

The following discussion reviews a number of important risks that management believes could impact the Company's business. There are other risks, not identified below, which currently or may in the future exist in the Company's operating environment.

Exploration and Mining Risks

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. At present, there are no known bodies of commercial ore on the mineral properties of which the Company intends to acquire an interest and the proposed exploration program is an exploratory search for ore. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, cave-ins, landslides, and the inability to obtain suitable or adequate machinery, equipment or labor are other risks involved in the conduct of exploration programs. The Company from time to time augments its internal exploration and operating expertise with due advice from consultants and others as required. The economics of developing gold and other mineral properties is affected by many factors, including the cost of operations, variation of the grade of ore mined and fluctuations in the price of any minerals produced. There are no underground or surface plants or equipment on the Company's mineral properties, or any known body of commercial ore.

Titles to Property

While the Company has diligently investigated title to the various properties in which it has interest, and to the best of its knowledge, title to those properties are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfer, or native or government land claims, and title may be affected by undetected defects.

Permits and Licenses

The Company's operations may require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Metal Prices

Even if the Company's exploration programs are successful, factors beyond the control of the Company may affect marketability of any minerals discovered. Metals prices have historically fluctuated widely and are affected by numerous factors beyond the Company's control, including international, economic and political trends, expectations for inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and worldwide production levels. The effect of these factors cannot be accurately predicted.

Competition

The mining industry is intensely competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests, as well as for recruitment and retention of qualified employee. The current markets put additional pressure on the availability of contract suppliers, equipment and personnel.

Environmental Regulations

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner, which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

First Nations

First Nations are increasingly making lands and rights claims in respect of existing and prospective resource projects on lands asserted to be First Nations' traditional or treaty lands. Should a First Nations make such a claim in respect of Melkior's properties and should such claim be resolved by government or the courts in favor of the First Nations, it could materially adversely affect the business of the Company.

Many of Melkior's contractors and suppliers live and work in the local communities. The Company regularly consults with communities proximal to the Company's exploration activities to advise them of plans and answer any questions they may have about the activities.

Conflicts of Interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest, which they may have in any project or 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 that interest and abstain from voting on such matter. 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 that time.

Stage of Development

The Company's properties are in the exploration stage and to date none of them have a proven ore body. The Company does not have a history of earnings or the provision of return on investment, and in future there is no assurance that it will produce revenue, operate profitably or provide a return on investment.

Industry Conditions

Mining and milling operations are subject to government regulations. Operations may be affected in varying degrees by government regulations, such as restrictions on production, price controls, tax increase, expropriation of property, pollution controls or changes in conditions under which minerals may be mined, milled or marketed. The marketability of minerals may be affected by numerous factors beyond the control of the Company, such as government regulations. The Company undertakes exploration in areas that are or could be the subject of native land claims. Such claims could delay work or increase exploration costs. The effect of these factors cannot be accurately determined.

Uninsured Hazards

Hazards, such as unusual geological conditions, are involved in exploring for and developing mineral deposits, The Company may become subject to liability for pollution or other hazards, which cannot be insured against or against which the Company may elect not to insure because of high premium costs or other reasons. The payment of any such liability could result in the loss of Company assets or the insolvency of the Company.

Future Financing

Completion of future programs may require additional financing, which may dilute the interests of existing shareholders. Access to future financing is not a certainty. The ongoing international financial crisis could have an impact.

Key Personnel

Management of the Company rests on a few key individuals some of whom are officers of the Company, the loss of any of whom could have a detrimental effect on its operations.

Canada Revenue Agency and Provincial Agencies

No assurance can be made that the Canada Revenue Agency or provincial agencies will agree with the Company's characterization of expenditures as Canadian exploration expenses or Canadian development expense or the eligibility of such expenses as Canadian exploration expense under the *Income Tax Act* (Canada) or any provincial equivalent.

CRITICAL ACCOUNTING ESTIMATES

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

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 financial statements within the next financial year are included in note 5 of the audited financial statements.

FUTURE ACCOUNTING STANDARDS

For details of the Company's future accounting standards, including accounting standards not yet adopted and accounting standards amended, but not yet effective, please refer to note 4 of the Company's audited financial statements.

DISCLOSURE OVER INTERNAL CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no significant changes to the Company's internal control environment during the three months ended November 30, 2017 that would have materially affected the Company's internal controls over financial reporting.

The Company's certifying officers concluded that the Company's internal disclosure controls and procedures are effective and sufficient to execute its business plan.

OUTSTANDING SHARE INFORMATION

	January 24, 2018	November 30, 2017	August 31, 2017
Common Shares	155,173,272	147,480,965	146,180,965
Warrants	17,210,000	17,210,000	20,610,000
Finders' Warrants	1,301,538	840,000	840,000
Stock Options	3,400,000	5,000,000	5,400,000
Fully Diluted Shares	**177,084,810**	**165,530,965**	**167,630,965**