Management Discussion and Analysis
For the Three Months Ended November 30, 2019

FORWARD-LOOKING INFORMATION AND MATERIAL ASSUMPTIONS

This report on results for the three months ended November 30, 2019 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, 2019, 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, 2019 and 2018 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, 2020. 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 was incorporated under the *Business Corporations Act* (Canada) and 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".

On January 24, 2018, at the Annual General and Special Meeting, the shareholders voted to approve the continuation of the Company into British Columbia under the Business Corporations Act (British Columbia) from federal jurisdiction. The continuation took effect on February 20, 2018.

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 areas in the province of Ontario.

EXPLORATION PROJECT – TIMMINS

Carscallen

The Carscallen and Big Marsh Projects were merged in 2017 when claim acquisition made the project claim groups contiguous. Further to this merging of Projects the conversion of legacy mining claims into "cells" had the effect of re-establishing claim boundaries. The creation of the new mining cells from Melkior legacy claims had the effect of making the Bristol Project contiguous with the Carscallen Project. The combined group of contiguous claims is referred to as the Carscallen Project. The Carscallen property now is comprised of 283 of combined Single Cell Mining Claims and Boundary Cell Mining Claims. Each Single Cell Mining Claims is approximately 20 ha. Work expenditures can now be transferred within the entire contiguous claim group. At present time the earliest claim due date in the Carscallen project is in 2020.

The Carscallen Project 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 year ended August 31, 2018, the Company entered into three agreements for the purchase of six 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).

On February 6, 2018, the Company announced completion of a test Mise a la Masse survey over portions of the Behemoth Zone on the Carscallen Project, Timmins, Ontario. Three different input points were evaluated over the test grid area: Whaleback Outcrop (9.5 g/t Au); Jowsey 1946 trench; and the shallowest gold zone encountered in CAR-17-16 (17.50ppm gold over 0.30m @77.75m depth). The Mise a la Masse maps have been posted to the Melkior website (http://www.melkior.com/gold-projects/carscallen-gold-project/carscallen-behemot-zone/).

Asymmetries in the electrical potential plots indicate that the current input zones are not isolated but have preferred current/conductive channels. The results of the method test indicate that the Mise a la Masse survey method could be used more extensively over the Behemoth Zone and elsewhere on the Carscallen Project. Mise al la Masse testing could also be used to establish inter-connectivity between conductive zones in adjacent drill holes.

The Mise al la Masse testing of the shallowest gold zone encountered in CAR-17-16 (17.50ppm gold over 0.30m @77.75m depth) appears to indicate that the conductive zone extends to the north. CAR-17-13 and CAR-17-14, both of which encountered the same gold zone as CAR-17-16 are located within the defined elevated zone of voltage potential on the Mise a la Masse map. The continuation of the gold zone encountered in CAR-17-16 to the south is in question as decreasing voltage potential appears more symmetrical in that direction. A structural offset could be responsible for the apparent conductor termination.

Historic maps indicate a VLF conductor is co-incident with the gold zone and that this VLF conductor continues 370m south to Highway 101. This historic map also indicates that the VLF conductor extends 480m northwards and is co-incident with a topographic discontinuity that has been demonstrated to be associated with a fault that contains a gold bearing quartz vein by the latest drilling and analytical results.

The “Whaleback” gold showing discovered in 2017 is located in a low lying swampy area 200m due west of CAR-17-13. The “Whaleback” gold showing returned assays up to 9.5 g/ton Au from grab samples. Mineralization is hosted in a silicified cataclastic zone in granite that hosts a multi-episodic quartz vein (Az290, -70E) up to 30 cm wide. Drill hole CAR-17-13 undercut this surficial gold bearing structure at a depth of about 200m. The mineralization in the Whaleback Outcrop is at Az290 degree, this orientation is at odds with many other local trend indicators. The 290 trend however is consistent with the trend of AUMO gold zones located about 100m east of CAR-17-16 on Tahoe Canada claims. The Mise a la Masse survey input current directly into the gold bearing zone of the Whaleback Outcrop. The Mise a la Masse data for the Whaleback Outcrop survey indicates potential continuity of the conductive zone to the northeast as well as to the east, potentially linking into the AUMO system of gold zones. The Whaleback Outcrop is located about 200m WNW (Az290) from CAR-17-16.

On March 6, 2018, the Company announced the assays from the 2017 soil sampling program on the Carscallen Project have been received. Melkior undertook a soil sampling program over a one-kilometre square area of the Carscallen Project in 2017. The area sampled included the central project area, where over 90% of drilling has been undertaken (Zamzam, Jowsey, Shenkman, Wire Gold areas). Soil samples were collected from both the A and B-horizons, at 25 m spacing, and submitted for trace analysis (ALS method, AuME-TL43).

Generally, there was a good correlation between the assays of the A and B-horizon samples. Very few areas of anomalous gold were detected in the B-horizon not observed in the A-horizon at the same location. Generally, B-horizon anomalous areas were observed to have a smaller footprint but co-located with A-horizon anomalies.

Software based statistical evaluation indicates that bismuth is the only element strongly corelated to gold within the soil dataset. This association appears to be validated by a strong correlation of gold and bismuth soil anomalies with both: surficial gold showings; and shallow intersections of gold in drill holes. Surface samples from the Jowsey showing have assayed up to 1,725 ppm Bi (sample MKR-WTK-B84, 843 ppm Au, 1,725 ppm Bi).

An overlay of drill core sample bismuth ICP assays located at shallow sample depth (less than 100m) has a very good correlation with the bismuth in soil anomalies. Additionally, overlaying of all historic assay data from drilling where Au > 1.0 ppm and the sample depth less than 100m has a very good correlation with bismuth in soil at surface.

Historically, high bismuth assays without significant gold values have not been considered worth following up. Going forward, a greater significance in the association of bismuth and gold is going to be incorporated into the Carscallen exploration program.

Drilling in 2008 defined the southern limit of the Zamzam Zone where continuity between closely spaced drill holes was lost in the southerly direction. About 100m south-west of the area of lost continuity (TW-08-ZZ-1) recent soil sampling data indicates there is a prominent and persistent north-south oriented bismuth in soil anomaly. The bismuth in soil anomaly is about 350 meters long and generally located in a shallow trough immediately adjacent and west of a north-south trending persistent bedrock ridge. This ridge is clearly visible on the LIDAR dataset and has also been observed in the field, where historical trenching has been investigated at several locations along its length. It is notable that the soil sample locations that define the bismuth in soil anomaly are in relatively undisturbed terrain, increasing confidence in their significance.

Gold in soil anomalies are present along the northern extension of the primary Target A structure and the area of the NNE mineralized fault discovered by CAR-17-5 (12.10ppm Au, 109ppm Bi over 0.65m @ 9.70m). This soil data reinforces Melkior’s commitment to continue with exploring Target A as defined in the 2017 Exploration Plan.

The largest bismuth in soil anomaly defined is co-incident with the Big Marsh – Mahoney Lake drainage system. There is a substantial bismuth in soil anomaly that starts at the junction of Big Marsh drainage – Mahoney Creek and extends along the inferred fault system to the northern limit of the area sampled. This northern limit of the bismuth in soil anomaly is 100m south of a historic 120 ppb gold in soil anomaly. Arsenic and copper are both anomalous and co-incident with the bismuth in soil anomaly. Melkior is evaluating the hypothesis that the Big Marsh – Mahoney Lake drainage system is a north-south fault system and linked by a splay fault to the Porcupine Destor Fault Zone. The 2017 soil sampling program covers one kilometre of the interpreted fault zone.

The integration and evaluation of the new soil assay information is ongoing and will be incorporated into future Melkior's Carscallen Exploration Plans.

During the year ended August 31, 2017, the Company paid $5,000 for a 100% interest in a claim located in Carscallen Township. This claim was part of the Big Marsh property, where the Company has existing claims. The Carscallen and Big Marsh projects were merged in 2017 when this claim acquisition was made to make the project claim groups contiguous. The combined group of contiguous claims is referred to as the Carscallen Project, which also now includes the former Bristol Project.

On September 18, 2019, the Company announced a new gold surface grab sample on the Denton property that assayed 9.59 g/t gold and 6.6 g/t silver.

In October 2019, the Company completed its 2019 drill campaign in Carscallen Township. The first two drill holes were designed to follow up on historical intercepts of 3.33 g/t Au over 4.5 meters in drill hole CAR-45-2010 within the Zam Zam zone and 14.21 g/t Au over 2.9 meters in drill hole WKD-07-6B within the Shenkman zone. It has intersected 23.5 g/t Au over 8.0 meters from 426.0 to 434.0 meters Including 372 g/t Au over a half meter from 433.0 to 433.5 meters on the third deep hole CAR-19-03A.

In November 2019, the Company acquired 15 additional mining claims that straddle the northern boundary of its Carscallen land package. Please refer to the link below for an updated property map: http://www.melkior.com/rch-content/uploads/melkior_claim_map_nov2019-1.pdf

Bristol

The Company holds a 100% interest in claims forming the Bristol property acquired through staking during the year ended August 31, 2017. A B-horizon soil sampling program was undertaken in 2017 over a conductive anomaly. The area of the soil sampling survey is about one-half square kilometre, samples were taken at 25 m spacing, and submitted for trace analysis (ALS method, AuME-TL43). The results have been received but reporting has not yet been completed.

EXPLORATION PROJECT – HEMLO/WHITE LAKE

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

The White Lake Project has grown since the initial acquisition and is currently comprised of 333 contiguous combined Single Cell Mining Claims and Boundary Cell Mining Claims with each Single Cell Mining Claim being approximately 20 hectares.

During the year ended August 31, 2017, the Company acquired additional claims through cash purchase agreements and staking. A 1% NSR is held by Doug Kakeeway on a group of 5 blocks comprised of 38 legacy claim units (TB4284867, TB4284868, TB4284869, TB4284870, TB4284871).

On March 7, 2018, the Company announced that the assays from the 2017 soil sampling program on the White Lake Project (Hemlo) had been received. Melkior undertook a soil sampling program over 4 square

kilometres of the Hemlo/White Lake Project in 2017. The area sampled is centered on the Kakeeway claim group. These claims host a combination of NW-SE trending: mafic-felsic geologic contacts locally with gold bearing veins; gold in soil anomalies; IP chargeability anomalies; and VLF conductors. Soil samples were collected from the A-horizon, at 25 m spacings, and submitted for trace analysis (ALS method, AuME-TL43).

A NW-SE trend in the distribution of anomalous gold in soil, parallel to geological contacts, was anticipated. However, the distribution of anomalous gold in soil over the sample area is more complex.

Software based statistical evaluation of correlated elements was conducted using the Correlations Report of Geosoft Geochemistry extension to Esri ArcMap. This report indicates that germanium is the only element with a significant correlation to gold within the soil dataset. A correlation was expected between gold and several other “normal pathfinder elements”, but no other associations are substantiated based strictly on the 2017 soil dataset. Significant reliance was placed on the gold-germanium association in the interpretation of the soil data.

The distribution of germanium in the A-horizon soil samples provides an unanticipated interpretation through the distinct and isolated nature of the anomalous areas. The anomalous germanium distribution can generally be described as two intersecting perpendicular linear anomalies.

The dominant germanium in soil anomaly is 2 kilometres long, persistent across the entire width of the sample area, oriented NE-SW, perpendicular to volcanic contacts, and co-incident with a prominent topographical lineament. This dominant germanium in soil anomaly is locally co-incident with reported gold in soil anomalies in excess of 500 ppb that are located about 400 m from the edge of the sample area (Royal Oak Mines, AFRI 42C13SE0069). If this anomalous trend was consistent and continued to the northeast, the strike extension would continue through the Melkior claim group for about 5 kilometres.

The secondary germanium in soil anomaly is also about 2 kilometres long but less persistent across the width of the sample area, oriented NW-SE it parallels mafic-felsic geologic contacts and historic: gold in soil anomalies; IP chargeability anomalies; and VLF conductors. The anomalous trend is also locally co-incident with groups of EM conductors defined by historic airborne surveys.

In January 2019, Melkior undertook a geological field program and undertook a GEOTECH helicopter borne EM, magnetometer survey over the entire White Lake Hemlo Project. Melkior’s goal is to advance the White Lake Project to the drill stage. The Kakeeway claim has an existing MNDM Exploration Permit in good standing that permits drilling.

In June 2019, Melkior received the detailed magnetic maps for the Denton project, which is available for download at http://www.melkior.com/rch-content/uploads/Denton_Drone_Mag_Survey_2019.pdf.

EXPLORATION PROJECT – URBAN/MASERES

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.

During the year ended August 31, 2018, the Company acquired additional claims through staking.

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 spent the proceeds of the private placement on the Urban project.

On March 5, 2018, the Company announced completion of the data collection portion of a 2,170-line kilometre GEOTECH VTEM plus time-domain helicopter borne magnetometer and EM survey. Melkior conducted a soil sampling test grid over this EM trend in 2017. 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/
A-horizon soil analysis over the EM trend returned up to 121 ppb Au; 59 ppm Ag; 93 ppm Cu; 78 ppm Zn; 30 ppm Pb (NR September 17, 2017).

On May 23, 2018, the Company announced receipt of final data for the EM survey. The VTEM survey data supports the hypothesis that the Urban Barry Greenstone Belt continues south of the Osisko Black Dog Project and traverses Melkior's Maseres Project.

On June 19, 2018, the Company announced initiation of a summer work program of a combination of geological work and soil sampling. The program comprised prospecting areas of the EM conductors, attempting to anchor conceptual ideas with geological information and assays. The initial program had a goal of 5,000 A-horizon soil samples to be collected on a 50 m x 50 m grid spacing.

The summer of 2018 on the Maseres Project was spent on reconnaissance geology, ground truthing the plethora of VTEM EM anomalies and conducting a soil sampling survey over priority EM conductors. The program was still progressed late into the fall of 2018 and was terminated based on weather conditions. Partial results from the soil survey have been received and support Melkior's interpretation of the geology of the area and its mineral potential. An expert interpretation of the VTEM survey data Melkior obtained in March 2018 was solicited and the report was made available on Melkiors website on its receipt. It is Melkiors opinion that the interpretation supports Melkiors hypotheses of the geology of the area and its mineral potential. The fall and winter of 2018 were spent evaluating the soil data in conjunction with the reconnaissance geology data and the expert interpretation of the VTEM data.

Melkior signed a contract for a maximum of 5,000 meters of NQ drilling on the Maseres Project in December 2018 drilling was initiated on January 15, 2019. Twenty holes totaling 4,899 meters were constructed along 2.4 km of priority EM trend. Assays have only been completely received up to MS-19-7. Drill holes MS-19-8 to MS-19-20 (13 holes) have not yet been submitted or received in their entirety at present time. Phase 2 plans will be presented after all data has been received and interpreted. The Maseres drilling permit has been renewed for 2019.

Melkior signed a contract for a maximum of 5,000 meters of NQ drilling on the Maseres Project in December 2018 and the first drill program was completed in March 2019. Twenty holes totaling 4,899 meters were constructed along 2.4 km of priority EM trend. This initial phase of drilling has established that the priority EM anomalies reflect the presence of VMS stratigraphy on the Maseres Project along the 2.3 km of the drilled trend. Maximum assays for the main VMS elements were 181.0 g/t Ag, 0.14 % Cu, 0.69 % Pb, 1.74 % Zn, 0.309 ppb Au. A complete list of drill hole locations, assay results along with select maps are available from the following links:

- Collar Locations: 2019 Maseres Drilling Collar Locations
- Complete Assay data: Maseres 2019 Drill Sample Chemistry (PDF table includes drill hole details, sample details, UTM of vertical projection of sample and all assay data)
- Map of: Silver 2019 Maseres Drilling
- Map of: Copper 2019 Maseres Drilling
- Map of: Lead 2019 Maseres Drilling
- Map of: Zinc 2019 Maseres Drilling
- Map of: Gold 2019 Maseres Drilling

In May 2019, Melkior announced the commencement of the summer exploration program and has renewed its drill permit for the Maseres project. The renewed permit is valid until March 31, 2020.

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.

During the year ended August 31, 2018, the Company sold its interest in Kenty Lake to IR Battery Resources and Processing Inc. ("IR Battery") for $600,000 and 300,000 common shares of IR Battery valued at $150,000. The proceeds of the sale were accounted for as a gain on sale of exploration and evaluation assets of $750,000.

Pursuant to the terms of the sales agreement, IR Battery participated and subscribed for $100,000 of securities as part of the Melkior's December 21, 2018 financing.

RESULTS OF OPERATIONS

Three Months Ended November 30, 2019

During the three months ended November 30, 2019, the Company reported a net loss of $46,484 (2018 – net income of $36,773). The Company's net loss included items as follows:

- Consulting and management fees of $15,675 (2018 - $9,000) were paid to external consultant in 2019.
- Office and general of $5,043 (2018 - $1,710) increased due to slightly higher administrative costs;
- Professional fees of $11,386 (2018 - $11,385) is in line with prior period;
- Regulatory fees of $6,448 (2018 - $13,873) decreased due to slightly lower transfer agent and filing fees;
- Loss on marketable securities of $33,386 (2018 – gain of $71,910) related to the changes in fair value of the marketable securities; and
- Other income of $24,219 (2018 – $nil) related to the reduction of the flow-through premium based on expenditures in 2019, net of an adjustment based on qualifying expenditures.

SUMMARY OF QUARTERLY RESULTS

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

For the Periods Ending	November 30, 2019	August 31, 2019	May 31, 2019	February 28, 2019
Net loss (income)	46,484	21,017	(129,867)	131,224
Loss (income) per share	0.00	0.00	(0.00)	0.00

For the Periods Ending	November 30, 2018	August 31, 2018	May 31, 2018	February 28, 2018
Net loss (income)	(36,773)	(772,727)	133,592	37,823
Loss per share	(0.00)	(0.00)	0.00	0.00

LIQUIDITY AND CAPITAL RESOURCES

The Company had cash of $791,255 and working capital of $1,232,937 at November 30, 2019, compared to $1,023,410 of cash and $1,502,887 of working capital at August 31, 2019.

The Company will need to obtain additional financing 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 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.

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 chief financial officers and the corporate secretary. Key management compensation is as follows:

	Three Months Ended November 30, 2019	Three Months Ended November 30, 2018
Professional fees	$ 7,636	$ 7,635
Regulatory fees	4,556	4,232
Total key management compensation	$ 12,192	$ 11,867

During the three months ended November 30, 2019, the Company paid professional fees and regulatory fees of $12,192 (2018 - $11,867) to Marrelli Support Services Inc. ("MSSI"), DSA Corporate Services Inc. ("DSA Corp") and DSA Filing Services Limited ("DSA Filing"), together known as the "Marrelli Group", for:

- Eric Myung, an employee of Marrelli Group, to act as the CFO of the Company;
- Bookkeeping services;
- Regulatory filing services;
- Corporate secretarial services.

As at November 30, 2019, the balance due to related parties amounted to $3,937 (August 31, 2019 - $6,196) 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.

RISKS

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risks" in the Company's MD&A for the fiscal year ended August 31, 2019, available on SEDAR at www.sedar.com.

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.

OUTSTANDING SHARE INFORMATION

	January 24, 2020	November 30, 2019	August 31, 2019
Common Shares	193,657,586	193,657,586	193,657,586
Warrants	20,000,000	20,000,000	20,000,000
Finders' Warrants	291,667	753,205	753,205
Stock Options	4,600,000	4,600,000	4,600,000
Fully Diluted Shares	**218,549,253**	**219,010,791**	**219,010,791**