EQUITORIAL EXPLORATION CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED MARCH 31, 2018

1.1 DATE OF REPORT MAY 23, 2018

1.2 OVERALL PERFORMANCE

General

Equitorial Exploration Corp. (the "Company") was incorporated on September 21, 2010 under the laws of the British Columbia Business Corporations Act.

The following Management Discussion and Analysis has been prepared as of May 23, 2018, should be read in conjunction with the audited financial statements for the years ended December 31, 2017 and 2016 and related notes attached thereto, which are prepared in accordance with IFRS. All financial results presented in this MD&A are expressed in Canadian dollars unless otherwise indicated.

Description of Business

The Company is a junior natural resource company engaged in the acquisition, exploration and development of mineral properties. The Company is a reporting issuer in British Columbia, Alberta and Ontario and trades on the TSX Venture Exchange under the symbol EXX and Frankfurt: EE1 and EQTFX on the OTCQB markets in the United States.

The Company has yet to receive any revenue from its natural resource exploration operations. Accordingly, the Company has no operating income or cash flows. Its continued existence has relied almost exclusively upon equity financing activities, which is not expected to significantly change in the immediate future.

Forward Looking Information

Certain statements in this Management Discussion and Analysis constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information typically containing statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose" or similar words suggesting future outcomes or statements regarding, and outlook. Forward-looking statements or information in this Management Discussion and Analysis include, but are not limited to, statements regarding:

- Business objectives, plans and strategies;
- Exploration objectives, plans and strategies; and,
- Certain geological interpretations and expectations.

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this Management Discussion and Analysis, assumptions have been made regarding, among other things:

- The ability of the Company to continue to fund its operations through financings, options and joint ventures;
- The ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities;
- The level of exploration activities and opportunities;
- The ability of the Company to retain access and develop its mineral claims; and
- Current and future mineral commodity prices.

Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- The ability of management to execute objectives, plans and strategies;
- Exploration, development and operational risks inherent in the mining industry;
- Market conditions;
- Risks and uncertainties inherent in geology and exploration for deposits;
- Potential delays and changes in plans;
- The Company's ability to retain land tenure;
- Uncertainties regarding financings and funding;
- General economic and business conditions;
- Possibility of governmental policy changes;
- Changes in First Nations policies;
- Other risks and uncertainties described within this document.

The forward-looking statements or information contained in this Management Discussion and Analysis are made as of the date hereof and the Company undertakes no obligation to update publically or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities law.

Significant Acquisitions

Cat Lake Mineral Project

On October 26, 2017, the Company reported it has been granted an exclusive option to acquire a 100% recorded and beneficial interest in 3 claims (Catail Claims) directly adjacent to the Cat Lake Mineral Project owned by Quantum Minerals Corp.

Catail Claims Summary

- 3 Claims, 99 hectares
- Adjacent to Cat Lake Mineral Project (previously Irgon Lithium Mine)
- Lithium Corp Cat Lake mine situated on south end of Catail claim block
- Irgon Lithium Mine shaft 150 m from south end of Catail claim block
- 48 feet of spodumene bearing quartz drilled in 1948 (Manitoba Assessment File 98073)
- Approximately 150 km northeast of Winnipeg
- Manitoba Provincial Highway 314 in passes through the claim block

Option Terms

W.S. Ferreira Ltd. (FERREIRA) hereby grants to Equitorial (OPTIONOR) an exclusive option to acquire a 100% beneficial interest in the Property, free and clear of all encumbrances, liens or royalties. In order to exercise the Option and earn a 100% undivided beneficial interest in and to the Property, OPTIONOR shall:

- immediately upon execution of this Agreement make a cash payment of CDNS25,000.00 **(paid)** to FERREIRA;
- issue to William S. Ferreira within 5 business days from the date of TSX Venture approval, 500,000 **(issued)** non-assessable common shares of its capital
- on or before December 31,2018, make a cash payment of CDN$25,000 to FERREIRA;
- on or before December 31 ,2018, a work commitment of $5,000 to earn 100% interest in the PROPERTY;

A 2% Gross Overriding Royalty, "GOR" as defined in 2.3 shall be granted to FERREIRA. The OPTIONOR shall have the right to purchase a 1% GOR from FERREIRA at any time prior to production for CDNS1,000,000 leaving FERREIRA with a 1% retained GOR. The transaction has been approved by TSX.

Cat Lake Lithium Property Highlights

- Property situated directly east and along strike of Quantum Minerals' Cat Lake Mineral Project (previously Irgon Lithium Mine). During 1956-1957, the Irgon Mine was an underground mining operation for spodumene (one of the hard rock sources for Li). The pegmatite had an historic estimate of 1.25 million tons of ore grading 1.51% Li20 (Mineral Inventory File No. 221).
- Equitorial claim block 150 m from south end of Irgon Lithium Mine shaft and approximately 93m east of the last exposed outcrop of the Irgon Pegmatite and approximately 122 m along

- 48 feet of spodumene bearing quartz were drilled in 1948 - not followed up at the time (Manitoba Assessment File 98073 - not 43-101 compliant)
- Property approximately 180km northeast of Winnipeg, Manitoba
- Excellent infrastructure - Provincial Highway 314 in southeast Manitoba cuts through the property

Cat Lake Drill Program

The Company has obtained a work permit for the Phase 1 drill program of 2,000 metres. Drilling will focus on the eastward strike extent of the Irgon Pegmatite presently being explored by Quantum Minerals. The Irgon Mine was an underground mining operation for spodumene (one of the hard rock sources for Li) from 1956-1957. The historic estimate was 1.2 million tons of 1.51% Li_2O (Manitoba Government Assessment File 94932), not 43-101 compliant. In 1948, a drill hole on the company's present Cat Lake Project claims, encountered 48 feet (~14.6 metres) of spodumene (Manitoba Government assessment file 98073). This hole was not followed up at the time.

The drill program will be headed up by Carey Galeschuk. P. Geo, a consulting geologist with extensive experience in lithium bearing pegmatites. He will also serve as Qualified Person for the purpose of National Instrument 43-101.

Cat Lake Lithium Property Summary

- Adjacent to Cat Lake Mineral Project (previously Irgon Lithium Mine)
- Lithium Corp Cat Lake mine situated on south end Cat Lake claim block
- Irgon Lithium Mine shaft 150 m from south end of Cat Lake claim block
- 48 feet of spodumene bearing quartz drilled in 1948 (Manitoba Assessment File 98073)
- Approximately 150km northeast of Winnipeg
- Provincial Highway 314 in southeast Manitoba passes close by the claims

On March 19, 2018, the Company reported that it has drilled and logged the first hole of its aggressive 1,100 meter drill program at its 100%-owned Cat Lake Lithium Property directly adjacent to the Cat Lake Mineral Project owned by Quantum Minerals Corp.

Drill Program Summary

- 1,100 m aggressive drill program of several holes
- First hole drilled and logged
- Three areas of interest:
    - Eastward extension of Quantum Minerals' Irgon Pegmatite presently being explored by Quantum Minerals
    - Follow up of 1948 drill hole reported to have encountered 48 feet (~14.63 m) of spodumene (Manitoba Government assessment file 98073 – not 43-101 compliant). No additional drilling in the area was completed.
    - Skarn associated with the Cat Lake Mine/Lithium Corp Cat Lake Mine - minimal information on the old mine site

- The drill program is headed up by Carey Galeschuk. P. Geo, a consulting geologist with extensive experience in lithium bearing pegmatites. He also serves as Qualified Person for the purpose of National Instrument 43-101.

On March 22, 2018, the Company reported that drill hole CT-18-02 encountered approximately 36 meters of a spodumene bearing pegmatite in core at its 100%-owned Cat Lake Lithium Property in SE Manitoba directly, adjacent to the Cat Lake Mineral Project owned by Quantum Minerals Corp.

Drill Program Update

Drill hole CT-18-02 is the second drill hole of the Company's aggressive 1,100 meter drill program. Drill hole CT-18-02 was positioned to intersect a possible extension of the Irgon Pegmatite system, presently being explored by QMC Quantum Minerals to the west of the company's claims.

The drill hole encountered approximately 36 meters of a spodumene bearing pegmatite (true width not determined at this time) at a depth of 126 meters downhole or 90 meters below the surface.

The hole was collared approximately 200 meters southeast of the last surface exposure of the Irgon Pegmatite. Prior to being drilled, this pegmatite was buried with no surface expression.

The next few drill holes will focus on defining the orientation and extent of the newly discovered pegmatite.

The company is presently in the process of sampling the new pegmatite and will announce assay results once they are received and reviewed.

The drill program is headed up by Carey Galeschuk. P. Geo, a consulting geologist with extensive experience in lithium bearing pegmatites. He also serves as Qualified Person for the purpose of National Instrument 43-101.

On March 28, 2018, the Company reported that drill hole CT-18-04 encountered approximately 20 meters of the same pegmatite found 50 meters to the east at the original pegmatite discovery (CT-18-02) at its 100%-owned Cat Lake Lithium Property in SE Manitoba directly, adjacent to the Cat Lake Mineral Project owned by Quantum Minerals Corp. CT-18-04 confirms the lateral extension of the pegmatite discovery.

Drill Program Update

As reported (news release March 22nd[t], 2018), the drill program encountered approximately 36 meters (true width not determined at this time) of a spodumene bearing pegmatite in DDH CT-18-02 at its 100%-owned Cat Lake Lithium Property directly adjacent to the Cat Lake Mineral Project owned by Quantum Minerals Corp.

The new pegmatite discovery (DDH CT-18-02) was encountered approximately 126 meters downhole or 90 meters below the surface. Drill hole CT-18-04 encountered approximately 20 meters of the same pegmatite 50 meters to the east of the original pegmatite discovery hole. This pegmatite was encountered approximately 105 meters downhole or 72 meters below the surface. CT-18-04 confirms the lateral extension of the pegmatite discovery.

The discovery drill hole was collared approximately 200 meters southeast of the last surface exposure of the Irgon Pegmatite. All drill holes of the pegmatite exploration program encountered varying degrees of pegmatites at different depths. The pegmatites encountered in the program were buried and had no known surface expression. The company is presently in the process of sampling the pegmatite intervals and will announce assay results once they are received and reviewed.

The last drill hole of the Lithium Pegmatite exploration portion of the drill program has begun. The drilling has been focused on understanding the orientation and extent of the new pegmatite discovery. Additional meterage has been added to the program. The final portion of the drilling will test the skarn and old mine shaft located on the east side of the project area.

The drill program is headed up by Carey Galeschuk. P. Geo, a consulting geologist with extensive experience in lithium bearing pegmatites. He also serves as Qualified Person for the purpose of National Instrument 43-101.

Tule Valley

On February 17, 2017, the Company acquired 100% interest in the Tule Valley Lithium Brine project in Utah and the Gerlach (San Emidio Desert) Lithium Brine properties from Umbral Energy Corp ("Umbral"). Agreement has been approved by TSX.

As per the agreement, the Company has paid Umbral the sum of $50,000 and issued to the Umbral 2,000,000 common shares in consideration for the assignment of the underlying agreement. The Company also paid a final payment of $100,000 to the underlying owner and Umbral will issue 1,500,000 shares for 100% interest in the properties. There is a 2% NSR in favour of the underlying owner.

Tule Valley Lithium Brine Project comprises 26 placer claims of 160 acres each, for a total area of 4,200 acres. The property is located approximately 190km south west of Salt Lake City, Utah, and is road accessible from Delta UT, 70km to the east.

Tule Valley is a closed basin, wherein surface water and groundwater flowing into the basin has no escape route (eg, river outlet), and the water can only escape through evaporation at surface. Any minerals dissolved in said water are left behind in the resulting brines and evaporation pools. Tule Valley is mostly a dry lake bed (playa), but it hosts active evaporation pools along its western margin.

Tule Valley is located within an area which hosts several lithium-bearing hardrock properties. Some of these areas may have provided lithium to groundwaters. Redhill Resources Corp.'s Honey Comb beryllium-rubidium-lithium-rare-earth project is situated 20 km to the north; Crystal Peak Minerals Inc.'s potash-lithium-magnesium brine project is 60 km to the southeast, and Materion Corp.'s Spor Mountain beryllium mine can be found 30 km to the northeast. Redhill states in their Sept. 30, 2011, National Instrument 43-101 report, that initial surface sampling provided assays of 1,500 to 1,700 parts per million lithium. Crystal Peak's Nov. 18, 2013, NI 43-101 report announces that lithium values in solution (brine) range from 50 to 200 milligrams/litre. Crystal Peak is an evaporite basin similar to Tule Valley.

The Tule Valley prospect may be similar to that of Clayton Valley, Nevada, as they are both closed basins with signs of active and historic evaporation. The Tule Valley project requires further exploration, including geophysics and drilling, to evaluate potential for a mass brine deposit.

The Gerlach (San Emidio Desert) property is located less than 5km south of Gerlach, Washoe County, Nevada. The 89 placer claims of 20 acres each, covering an area of 1,780 acres within the San Emidio Desert which is the southern lobe of the largest dry lake bed in North America (Black Rock Desert), known for its natural hot springs.

Although San Emidio is a dry lake bed (playa) with little evidence of active evaporation, US Geothermal Co. has a geothermal electro-generation plant located 27km south of the claim block on the east edge of the San Emidio playa. This confirms the presence of geothermal activity (hence brines) in the San Emidio playa.

The Gerlach property may have similar characteristics to that of Clayton Valley, Nevada, as they are both closed basins with signs of geothermal activity. Similarly to Tule Valley, the Gerlach project requires further exploration, including geophysics and drilling, to evaluate potential for a mass brine deposit.

On May 23, 2017, the Company completed the ground geophysics survey on its 100% owned Tule Valley Lithium project in Utah.

Highlights

1. The gravity results demonstrate that the Tule Valley fill has a depth of over 500 meters in the western portion of the property. To view the gravity results, please visit: http://equitorialexploration.com/gallery/
2. The valley fill deepens further than 500 meters heading east from the current claim blocks.
3. To maximize the potential the Company has acquired an additional 135 claims totaling 2,700 acres. The Company has now staked the entire Tule Valley Brine Property for a total holding of 6,900 acres. To view the claim extension, please visit: http://equitorialexploration.com/gallery/
4. This season the Company will conduct a drill program to test lithium concentrations in brine at different depths and locations in the Tule Valley Basin.

Gravity Survey Methodology

The survey was completed by Zonge International Inc. during April 2017. A total of 511 unique grid stations were acquired covering a grid area of approximately 20 km^2 with 200 meter station spacing. Field gravity data was merged with 52 regional public domain gravity stations. Elevations were obtained from real-time kinematic and post-processed GPS.

Li Property

On July 27th, 2016 the Company purchased from Strategic Metals LTD 100% interest of the **Li Property** which hosts the **Little Nahanni Pegmatite Group (LNPG)** lithium-cesium-tantalum (**LCT**) pegmatite dykes that have been traced for over 13km. The property is located in the North West Territories and is 37km northwest of the recently closed tungsten mine (Cantung). A gated road that extends northwest from Cantung passes within 5km of the LNPG property.

As consideration of the purchase and sale, the Company has issued to Strategic 5,000,000 common shares of the Company on the closing date; and paid $100,000 towards expenditures required for the 2016 work program on the Property and grant a 2% NSR Royalty to Strategic. The Company will have the right to buy down half of the NSR Royalty (equal to 1% of the Net Smelter Returns) in consideration for $2,000,000. Within one year of the closing date, the Company will issue to Strategic 2,500,000 (issued) common shares of the Company; and 2,500,000 common share purchase warrants (issued) of the Company, with each warrant entitling Strategic to purchase one common share of the Company at a price of $0.10 per share for a period of 24 months from the date of issue of the warrants.

During the 2016 field program, a total of 81 channel samples were cut across parts of the lithium-cesium-tantalum pegmatite dike swarms that comprise the Prison Wall, Berlin Wall, Great Wall of China and Hadrian's Wall dike swarms within cirques 3 and 4. Highlights from individual dikes within and adjacent to dike swarms include:

1.57 per cent lithium oxide (Li_2O), 250.3 grams per tonne (g/t) tantalum pentoxide (Ta_2O_5) and 0.95 per cent tin dioxide (SnO_2) across 1.7 metres;
2.04 per cent Li_2O, 57.8 g/t Ta_2O_5 and 0.05 per cent SnO_2 across four metres;
3.1 per cent Li_2O, 53.6 g/t Ta_2O_5 and 0.03 per cent SnO_2 across 0.95 metre;
2.33 per cent Li_2O, 59 g/t Ta_2O_5 and 0.05 per cent SnO_2 across 1.2 metres;
1.67 per cent Li_2O, 41.4 g/t Ta_2O_5 and 0.03 per cent SnO_2 across 3.75 metres;
1.83 per cent Li_2O, 67.3 g/t Ta_2O_5 and 0.05 per cent SnO_2 across 1.25 metres;
1.63 per cent Li_2O, 52.9 g/t Ta_2O_5 and 0.01 per cent SnO_2 across 5.15 metres.

In March 2017, the Company has filed NI 43-101 technical report.
The 43-101 technical report concludes that, *'results such as 10.35m at 1.13% Li_2O, 71.1 g/t Ta_2O_5 and SnO_2 are highly encouraging.*

The Technical Report titled "Geology and Summary Report of the Little Nahanni Pegmatite Prospect" was prepared by Timothy Liverton, Phd, C.Geol, FGS, an independent qualified person as defined by National Instrument 43-101. The report has been filed on SEDAR and can be viewed at www.sedar.com under the Equitorial Exploration Corp. profile.

During the period ended June 30, 2017, the Company received a land use permit. The permit is valid for 5 years and allows the Company to conduct diamond drilling from a camp located on the property.

On November 28, 2017, the Company reported the results from the resampling of 2007 diamond drill core from its 100%-owned Little Nahanni Pegmatite Group (LNPG) Lithium Property (NWT). Equitorial resampled the 2007 diamond drill core because the previous operator's focus was tantalum and tin and many of the 2007 samples exceeded the upper detection limit for lithium (1%) and were not further analyzed.

Resampling Highlights

- **Five holes totaling 1,120 m drilled**
- **1.47% Li_2O, 39 g/t Ta_2O_5, and 0.0% SnO_2 over 9.66 m**
- **1.03% Li_2O, 31 g/t $Ta_2O_5$and 0.02% SnO_2 over 17.96 m**
- **1.04% Li_2O, 319 g/t $Ta_2O_5$and 0.07% SnO_2 over 1.76 m**
- **0.84% Li_2O, 38 g/t $Ta_2O_5$and 0.02% SnO_2 over 3.68 m**

Li_2O Grade Comparison 2007 to 2017

DDH	2007 Width (m)	2007 Grade Li_2O	**2017 Width (m)**	**2017 Grade Li_2O (%)**	**% Increase in Li_2O**
MAC006	18.27	0.92%	**17.96**	**1.03%**	**12%**
MAC007	10.94	1.20%	**9.66**	**1.47%**	**23%**

Diamond Drill Core Highlights*

DDH	**From (m)**	**To (m)**	**Width (m)**	**Li_2O (%)**	**SnO_2 (%)**	+
MAC006	61.88	66.86	4.98	0.26	0.02	76
MAC006	62.15	66.87	4.72	0.52	0.02	74
	85.58	**87.34**	**1.76**	**1.04**	**0.07**	**319**
	172.29	**190.25**	**17.96**	**1.03**	**0.02**	**31**
MAC007	**107.13**	**116.79**	**9.66**	**1.47**	**0.03**	**39**
	125.59	129.33	3.74	0.26	0.01	15
	146.94	**150.62**	**3.68**	**0.84**	**0.02**	**38**
MAC008	41.40	43.46	2.06	0.16	0.001	2
	146.89	147.32	0.43	0.24	0.08	156
	154.10	158.43	4.33	0.38	0.01	50
	156.55	**158.43**	**1.88**	**0.67**	**0.03**	**111**

Mag One Products Inc.

On March 11, 2016, the Company entered into agreement with Mag One Products Inc. ("Mag One"), in which Mag One has granted the Company a first right to a 50/50 JV to fund equally the construction of the first magnesium and refining production facility for use by Mag One to produce magnesium metal and related products, by using its proprietary magnesium metal technology upon the Company completing its investment of $1 million Canadian dollars to Mag One.

The terms of the JV shall be set out in a formal JV agreement once the Investment is in place. Upon the successful completion of the first production and refining facility under the JV terms, the Company shall then have the first right to enter into a further 50/50 JV in regard to participate to funding of the construction of the second production and refining facility on the same terms as the first JV. The Company will also have the right to fund other production facilities on a 50/50 JV, on a non-exclusive basis, with Mag One once the first 2 facilities are funded and in operation.

Amendment to Agreement

On May 2nd, 2016, The Company and Mag One have amended their agreement announced March 11, 2016. Upon providing $750,000 (paid) of the initial $1.5M private placement, the Company will have earned an exclusive right to enter into the first JV to fund, on a 50/50 basis, the construction of production facilities that Mag One will use to produce magnesium metal and products.

The Company will also have the right to fund other production facilities on a 50/50 JV, on a non-exclusive basis, with Mag One. On the Company advancing a second $750,000, then it would have an exclusive option to enter into a second JV to fund, on a 50/50 basis a second facility on the same basis as the first JV.

On May 6, 2016, the Company bought 833,333 units of Mag One at a price of $0.90 per unit. Each unit has one common share and one share purchase warrant at a price of $1.10 per share expiring on May 6, 2017.

On May 18, 2016, the Company further bought 277,778 units at a price of $0.90 per unit. Each unit has one common share and one share purchase warrant at a price of $1.10 per share expiring on May 18, 2017.

1.3 SELECTED FINANCIAL INFORMATION

	December 31, 2017	December 31, 2016	December 31, 2015
Total revenues	$ -	$ -	$ -
Income (loss) before other items	(1,916,316)	(672,128)	(837,469)
Net income (loss) attributable to shareholders of the Company	(2,998,135)	(2,242,196)	(183,328)
Income (loss) per share basic and diluted	(0.05)	(0.03)	(0.00)
Total assets	1,261,707	2,795,004	4,982,249

1.4 RESULTS OF OPERATIONS

These interim consolidated financial statements, as at and for the three months ended March 31, 2018, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The Company recorded a net loss for the period ended March 31, 2018 of $425,883 ($0.01) per share) and had cumulative deficit of $8,428,733 as compared to cumulative deficit of $8,002,850 for the year ended December 31, 2017.

Three Months Ended March 31, 2018 Compared to Three Months Ended March 31, 2017

The total expenses were $425,883 an increase of $129,857 compared to $296,026 for the comparable period of the prior year. This increase was mainly due to increase in exploration expenses.

Accounting and audit fees were increased by $2,000. This was due to increase in accounting fees.

The consulting fees were decreased by $32,068 as a result of decreased activities in business development, marketing and in administration services.

Exploration expenses increased by $144,802. The Company spent funds on Cat property.

The filing fees were decreased by $7,742.

The legal fees were decreased by $6,761. Last year the Company paid higher legal fees due to litigation.

Office expenses were decreased by $10,270 as a result of decreased office activities.

During the period, the Company granted 2,000,000 options to its consultants and officers and recorded $171,258 stock based compensation expenses.

The travel expenses were decreased by $8,489.

1.5 SUMMARY OF QUARTERLY RESULTS

Quarter ended	Revenue	Net (loss) gain	Net loss per share
	$	$	$
March 31, 2018	0	(425,883)	(0.01)
December 31, 2018	0	(434,686)	(0.01)
September 30, 2017	0	(402,676)	(0.01)
June 30, 2017	0	(701,724)	(0.01)
March 31, 2017	0	(1,459,049)	(0.03)
December 31, 2016	0	16,949	0.01
September 30, 2016	0	(60,214)	(0.00)
June 30, 2016	0	(163,053)	(0.00)

Due to an increase in consulting and stock options expenses the net loss was $701,724 for the quarter ended June 30, 2017.

Due to fair value change of marketable securities amount $955,552 and loss on disposal of marketable securities amount $207,471, the net loss was $1,459,049 for the quarter ended March 31, 2017.

Due to fair value change of marketable securities amount $521,043 and gain on settlement the net gain was $16,949 for the quarter ended December 31, 2016.

1.6 LIQUIDITY

As at March 31, 2018, the Company had working capital (deficiency) of $(207,542) as compared to working capital (deficiency) of $(146,417) on December 31, 2017.

Cash Flow from Operations

During the period ended March 31, 2018, the Company had cash out-flow of $(215,906) from operations compared to an outflow of $(293,357) in the comparable period of the previous year.

During the period Accounts receivable increased by $21,005, compared to an increase of $6,951, prepaid expenses increased by 15,250, compared to increase of $13,170, and accounts payable increased by $74,974 compared to a decrease of $100,246.

Investing Activities

During the period ended March 31, 2018, the net cash from (to) investing activities were $27,425 compared to $603,963 in the comparable period of the previous year. During the period, due to related parties were increased by $27,425.

Financing Activities

During the period ended March 31, 2018, the Company raised $190,000 through exercising of stock options.

Since incorporation, the Company's capital resources have been limited. The Company has to rely upon the sale of equity and debt securities for cash required for administration, acquisitions and exploration programs, among other things. While there are presently no known specific trends, events or uncertainties that are likely to result in the Company's liquidity decreasing in any material way over the next year, it is unlikely that significant cash will be generated from operations over this period. Since the Company is unlikely to have significant cash flow, the Company will have to continue to rely upon equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company is engaged in the acquisition, exploration and development of natural resource properties.

1.7 CAPITAL RESOURCES

2,000,000 options were exercised for gross proceed of $190,000.

1,415,000 options were exercised for gross proceed of $113,200

The Company spent funds in property expenses and working capital.

COMMITMENTS

At present, the Company has no commitments.

1.8 OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

1.9 RELATED PARTY TRANSACTIONS

During the year ended March 31, 2018, the Company entered into the following transactions with the related parties:

(a) During the period ended March 31, 2018, the Company incurred consulting fees of $22,500 (March 31, 2017: $30,000) with directors, companies owned by directors and a company by common directors.

As at March 31, 2018, $34,250 (December 31, 2017 - $6,825) was owing to companies controlled by directors and officers of the Company.

(b) During the period ended March 31, 2018, payment of rent of $1,500 (March 31, 2017: $1,500) pertains to rent paid to a company related by a common officer for shared office premises. In addition, payment of $nil (December 31, 2017: $10,230) was also paid to CEO of the Company for additional office spaces sharing with his office.

(c) During the period ended March 31, 2018, the Company incurred accounting fees of $12,000 (March 31, 2017: $9,000) with an officer of the Company.

(d) As at March 31, 2018, prepaid expenses include $32,785 (December 31, 2017: $16,910) to CEO and president of the Company.

The amounts due from or to the related parties are unsecured and without interest or stated terms of repayment. All related party transactions are in the normal course of operations and have been measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

1.11 PROPOSED TRANSACTIONS

N/A

1.12 CRITICAL ACCOUNTING ESTIMATES

Critical Accounting estimates represent estimates that are highly uncertain and for which changes in those estimates could materially impact the Company's financial statements. At present the Company does not have any critical accounting estimate.

1.13 CHANGES IN ACCOUNTING POLICIES

New standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or IFRS Interpretations Committee that are mandatory for accounting periods beginning on or after January 1, 2018, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

i) New standard IFRS 9 Financial Instruments has been issued by IASB to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 has two measurement categories: amortized cost and fair value. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

Significant Accounting Policies

(a) Basis of measurement

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments, which are measured at fair value. All financial information in these consolidated financial statements is presented in Canadian dollars.

(b) Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less and which are readily convertible into a known amount of cash. The Company's cash and cash equivalents are invested with major financial institutions in business accounts. Cash may also be invested in guaranteed investment certificates that are available on demand by the Company for its program. The Company does not invest in any asset-backed deposits/investments.

(c) Foreign currency translation

The functional currency of the Company and its subsidiaries, as determined by management, is the Canadian dollar and this is also the currency in which it presents these consolidated financial statements. The Company recognizes transactions in currencies other than the Canadian dollar (foreign currencies) at the rates of exchange prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the consolidated statement of operation and comprehensive operation. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

(d) Impairment of tangible assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(e) Deferred income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

(e) Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of mineral properties in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability. The capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows. As at March 31, 2018 the Company has no known restoration, rehabilitation or environmental liabilities related to its mineral properties.

(f) Share based payments

The Company operates an employee stock option plan. Share based payments to employees are measured at the fair value of the instruments issued and amortized over the relevant vesting periods. Share based payments to non- employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The fair value of options is determined using a Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

(g) Earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net income (loss) available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. In a loss period, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. For the period presented, dilutive loss per share is equal to basic loss per share.

(h) Significant accounting judgments and estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include valuation of share-based payments and recognition of deferred income tax amounts, determination of functional currency and provision for restoration, rehabilitation and environmental costs.

Determination of functional currency

The Company determines the functional currency through an analysis of several indicators such as expenses and cash flow, financing activities, retention of operating cash flows, and frequency of transactions with the reporting entity.

Valuation of share-based payments

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Site decommissioning obligations

The Company recognizes a provision for future abandonment activities in the consolidated financial statements equal to the net present value of the estimated future expenditures required to settle the estimated future obligation at the consolidated statement of financial position date. The measurement of the decommissioning obligation involves the use of estimates and assumptions including the discount rate, the expected timing of future expenditures and the amount of future abandonment costs. The estimates were made by management and external consultants considering current costs, technology and enacted legislation. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

(i) Mineral properties

The Company charges to operations all exploration and evaluation expenses incurred prior to the determination of economically recoverable reserves. These costs would also include periodic fees such as license and maintenance fees.

The Company capitalizes direct mineral property acquisition costs and those expenditures incurred following the determination that the property has economically recoverable reserves. Mineral property acquisition costs include cash consideration and the fair value of common shares issued for mineral property interests, pursuant to the terms of the relevant agreement. These costs are amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse or abandoned, or when impairment in value has been determined to have occurred. A mineral property is reviewed for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry practice for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

(j) Financial instruments

Financial assets
The Company classifies its financial assets into one of the following categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial assets acquired principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss. Cash has been classified under this category.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortized cost using the effective interest method less any provision for impairment. Accounts and loans receivables and due from a related party have been classified under this category.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method less any provision for impairment.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized in other comprehensive income (loss). Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from accumulated other comprehensive income (loss) and recognized in profit or loss.

All financial assets except those measured at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is objective evidence of impairment as a result of one or more events that have occurred after initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or the group of financial assets.

Financial liabilities
The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities, loan payable and due to related parties have been classified under this category.

IFRS 7 requires additional disclosures relating to the measurement of fair value for financial instruments and liquidity risk. The disclosure requirement establishes a three level hierarchy that reflects the significance of the inputs used in fair value measurements on financial instruments. The three levels of the fair value hierarchy are:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs are other than quoted prices in Level 1 that are either directly or indirectly observable for the asset or liability;

and Level 3 - Inputs for the asset or liability that are not based on observable market data.

All of the financial instruments measured at fair value on the consolidated statement of financial position are included in Level 1. The company does not hold any financial instruments that are measured from Level 2 or Level 3 inputs.

(k) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(l) Investment in Associates

Associates are entities over which the Company has significant influence, but not control. The financial results of the Company's investments in its associates are included in the Company's results according to the equity method. Subsequent to the acquisition date, the Company's share of profits or losses of associates are recognized in the consolidated statements of income (loss).

The Company assesses at each period-end whether there is any objective evidence that its interests in associates are impaired. If the interests are impaired, the carrying value of the Company's share of the underlying assets of associates is written down to its estimated recoverable amount (being the higher of fair value less cost to sell and value in use) and charged to the consolidated statements of income (loss).

FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL DISCLOSURES

(a) Fair value of financial instruments

The Company's financial instruments at March 31, 2018 consist of cash and cash equivalents, marketable securities, accounts and loan receivables, accounts and loan payables and accrued liabilities, and due from/to related parties. Cash and cash equivalents are carried at fair value using a level 1 fair value measurement. The carrying values of accounts and loan receivables, accounts and loan payables and accrued liabilities, and due from/to related parties approximate their fair values because of their nature and respective maturity dates or durations.

The fair value of the Company's financial instruments has been classified within the fair value hierarchy as at March 31, 2018 as follows:

		Level 1		Level 2		Level 3		Total
Financial Assets								
Cash and cash equivalents	$	8,930	$	-	$	-	$	8,930
Marketable securities		-		-		-		-
	$	**8,930**	**$**	**-**	**$**	**-**	**$**	**8,930**

(a) Risk Management

Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and accounts receivables. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents are held with reputable Canadian financial institutions, from which management believes the risk of loss to be minimal. The Company's receivables consist of mostly GST receivable due from the Federal Government of Canada. The Company has not experienced any significant credit losses and believes it is not exposed to any significant credit risk.

Interest Rate Risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, and cash and cash equivalent holdings. As the Company does not have operating cash flow and the Company has relied primarily on equity financings to meet its capital requirements.

Foreign currency risk

The Company's functional currency is the Canadian dollar and it transacts major purchases in Canadian dollars, Colombian Peso and US dollars. In the past years, to fund exploration expenses, it maintains a Colombian Peso and US dollars-denominated bank accounts containing sufficient funds to support monthly forecasted cash outflows. After the deconsolidation of its foreign subsidiaries, its major transactions are in Canadian dollars. Management believes the foreign exchange risk derived from currency conversions is minimal and therefore does not hedge its foreign exchange risk.

Commodity price risk

The ability of the Company to explore its mineral properties and the future profitability of the Company are directly related to the market price of precious metals. The Company monitors precious metals prices to determine the appropriate course of action to be taken by the Company.

(b) Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its mineral properties and to maintain a flexible capital structure which optimises the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes cash, debt and the components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company manages the capital structure and adjusts to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, and acquire or dispose of assets.

The Company is dependent on the capital markets as its sole source of operating capital. The Company's capital resources are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to those markets, and by its ability to compete for investor support of its projects. The Company is not subject to any externally imposed capital requirements. However, it is subject to any regulations and rules imposed by the TSX Venture Exchange in issuing and/or maintaining debt or equity financings. 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 its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

1.14 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

It is management's opinion that the fair value of the Company's cash, accounts receivable, accounts payable and accrued liabilities, approximate their carrying value due to the relatively short periods to the maturity of the instruments.

None of the Company's financial instruments are denominated in U.S. dollars, and the Company does not use foreign exchange contracts to hedge against gains or losses arising from foreign exchange fluctuations.

1.15 OTHER MD&A REQUIREMENTS

Financial and Disclosure Controls and Procedures

During the period ended March 31, 2018, there has been no significant change in the Company's internal control over financial reporting since last year.

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. They are also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's annual financial statements for the period ended March 31, 2018 (together the "Annual Filings"). The Chief Executive Officer and Chief Financial Officer of the Company have filed the Venture Issuer Basic Certificate with the Annual Filings on SEDAR at www.sedar.com.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

Outstanding Share Data

a) The Company's authorized share capital consists of unlimited common and preferred shares without par value.

b) As at May 23, 2018, the Company had a total of 73,458,571 (December 31, 2017: 70,043,571) common shares issued and outstanding.

c) As at May 23, 2018, the Company had 6,197,106 (December 31, 2017: 6,197,106) warrants outstanding.

d) As at May 23, 2018, the Company had 5,025,000 (December 31, 2017: 5,500,000) stock options outstanding.

Additional Disclosure for Venture Issuers without Significant Revenue

Schedule of General and Administrative costs:

For the Periods Ended March 31		2018		2017
Expenses				
Accounting and audit	$	**12,000**	$	10,000
Bank charges		**138**		271
Consulting fees		**39,750**		71,818
Exploration expenses		**148,683**		3,881
Filing fees		**5,500**		13,242
Legal		**3,500**		10,261
Office expenses		**1,457**		11,726
Rent		**1,500**		1,500
Share based compensation		**171,258**		123,036
Shareholders' information		**40,124**		40,358
Transfer agent fees		**1,934**		1,405
Travel		**39**		8,528
	$	**425,883**	$	296,026

Schedule of Exploration and Development Costs:

During the period ended March 31, 2018, the Company incurred property acquisition costs as follows:

	USA Tule Valley Utahs $	Canada Li Property $	Canada Cat Property $	Total $
Mineral properties				
Balance, December 31, 2016	-	430,000	-	430,000
Acquisition costs incurred during the year	406,592	259,688	97,500	763,780
Balance, December 31, 2017	406,592	689,688	97,500	1,193,780
Acquisition costs incurred during the priod	-	-	-	-
Written-off	-	-	-	-
Balance, March 31, 2018	**406,592**	**689,688**	**97,500**	**1,193,780**

During the period ended March 31, 2018, the Company incurred exploration expenditures as follows:

	Canada Li Property	Canada Cat Property	Total
	$	$	$
Exploration and related expenditures			
Consulting	3,944	-	3,944
Drilling	-	142,639	142,639
Others	-	2,100	2,100
Total exploration expenditure	**3,944**	**144,739**	**148,683**

Additional information about the Company can be found on www.sedar.com.

Corporate Head Office
1400 – 1111 West Georgia Street
Vancouver, British Columbia
V6E 4M3
Tel – 604.689.1799
Fax – 604.689.8199

Investor Relations
Jack Bal
Tel – 604.306.5285

Corporate Counsel
McMillan LLP
1500-1055 W. Georgia Street
PO Box 11117
Vancouver, British Columbia
V6E 4N7

Board of Directors
Jack Bal
Saf Dhillon
Buddy Doyle
Binny Jassal

Transfer Agent
Computershare Investor Services Inc.
510 Burrard Street
Vancouver, British Columbia
V6C 3B9
Canada

Auditors
A Chan & Company LLP
8988 Fraserton Court, 2nd Floor
Burnaby, British Columbia
V5J 5H8

Shares Listed
TSX-V: EXX
FRANKFURT: EE1
OTCQB:EQTFX