ABITIBI ROYALTIES INC.

Management's Discussion and Analysis
for the three and nine months ended September 30, 2018

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") reviews the financial position and results of operations of Abitibi Royalties Inc. (TSX-V: RZZ, hereinafter "Abitibi Royalties" or the "Company") for the third quarter ended September 30, 2018. It should be read in conjunction with the unaudited financial statements and notes thereto for the period ended September 30, 2018, and with the audited financial statements for the year ended December 31, 2017 and related notes thereto, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board (IASB). All these documents can be viewed through the internet at the SEDAR website (www.sedar.com) by accessing the Company's issuer profile.

All figures are in Canadian dollars unless otherwise specified.

The following information is prepared as at November 15, 2018.

FORWARD-LOOKING INFORMATION

This document contains certain forward-looking statements. In some cases, words such as "plans", "expects", or "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur, be achieved or continue, have been used to identify these forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond the Company's ability to control or predict and are not to be interpreted as guarantees for future performance. These forward-looking statements could cause actual events or results to differ materially from those anticipated in such forward-looking statements. All forward-looking statements speak only as of the date hereof and, except as required by law, the Company does not undertake any obligation to update or publicly release any revisions to such forward-looking statements to reflect events, circumstances, or changes in expectations after the date hereof. Accordingly, readers should not place undue reliance on such forward-looking statements.

NATURE OF OPERATIONS

Abitibi Royalties Inc. (the "Company") has the objective to build a premium quality royalty company by acquiring first class royalties and by exploring, evaluating and promoting its mineral properties and other projects.

The Company was incorporated on February 18, 2010, pursuant to the *Business Corporations Act* (British Columbia). The head office of the Company is located at 152 Chemin de la Mine École, Val-d'Or, Quebec, Canada. The Company's registered and records office is located at #530 - 355 Burrard Street, Vancouver, B.C. V6C 2G8. The Company also has administrative offices located at 800 René-Lévesque Boulevard West, Suite 425, Montréal, Quebec, H3B 1X9.

On November 2, 2016, following a request from the TSX Venture Exchange, the issuer status of the Company changed from a Tier 2 Mining Issuer to a Tier 2 Investment Issuer.

On June 19, 2018, the Company announced that it had been admitted to the Nasdaq International Designation program. The Company's common shares will trade in the United States under the ticker "ATBYF".

The Canadian Malartic Mine, where Abitibi Royalties owns various Net Smelter Returns ("NSR") and net profit interests ("NPI"), is jointly operated by Agnico Eagle Mines Limited ("Agnico Eagle") and Yamana Gold Inc. ("Yamana") (the "Partnership"). Abitibi Royalties' NSRs and NPIs cover portions of the Odyssey (3% NSR), East Malartic (3% NSR), Sladen (3% NSR), Sheehan (3% NSR), Jeffrey (3% NSR), Barnat Extension (3% NSR) and portions of the Gouldie (2% NSR) and all of the Charlie Zone (2% NSR). The Company recently acquired a 1.5% NSR on the Midway Project and a 15% NPI on the Radium Property, all operated and located at the Canadian Malartic Mine. The Company also owns additional royalties in Canada and Turkey.

PROPERTY INTEREST

Malartic CHL 3% NSR Royalty - Malartic, Quebec

The area covered by the 3% NSR is located immediately east of the current Canadian Malartic Mine open pit. The 3% NSR covers a number of known mineralized zones; the eastern part of the Barnat Extension, the Jeffrey Zone and portions of the East Malartic and Odyssey Projects. No value for accounting purposes has been assigned to the 3% NSR royalty.

Canadian Malartic 2% NSR Royalty – Malartic, Quebec

The area covered by the 2% NSR is on a single claim located just to the south of the Canadian Malartic open pit and covers the eastern portion of the Gouldie Zone and the historic Charlie Zone. Production on the 2% net smelter royalty area started in 2014 and total royalty payments of $348,795 were received. Canadian Malartic GP reported that mining at the Gouldie deposit stopped at the end of June 2015.

Midway 1.5% NSR Royalty - Malartic, Quebec

The area covered by the 1.5% NSR is located east and south of the Canadian Malartic Mine open pit. The 1.5% NSR covers a number of known mineralized zones; Piche-Harvey, Briar and Chabela. A total of 1.0% of the NSR can be repurchased by the Canadian Malartic Mine by paying US$1.0 million to Abitibi Royalties.

Radium 15% NPI Royalty - Malartic, Quebec

The area covered by the 15% NPI is located immediately west of the Canadian Malartic Mine open pit. The 15% NPI covers the historic Radium Zone.

Abitibi Royalty Search

In 2015, the Company launched the "Abitibi Royalty Search", by which it would reimburse renewal fees on existing claims or staking fees on new claims and will receive in exchange a net smelter return royalty. The program offers mining companies and prospectors an alternative to dropping potentially interesting claims or projects due to a lack of funds. Projects have to meet specific criteria to be eligible, such as being located close to an existing mine, have good geology and signs of mineralization through previous exploration. Since the program has been launched, the Company invested a total of $194,376 in 13 projects located in Canada, in the provinces of Ontario, Quebec and Saskatchewan, and in the Republic of Turkey. These amounts were expensed in the corresponding years because the Company does not expect to receive royalty income in the foreseeable future.

Luc Bourdon Prospect

The Luc Bourdon Prospect (the "Bourdon Prospect") was acquired from Golden Valley Mines Ltd. ("Golden Valley"), a controlling shareholder of the Company, pursuant to an Amended and Restated Transfer, Assignment, and Assumption Agreement dated March 30, 2011 among Abitibi Royalties, then Optionees, and Golden Valley. The Company is now seeking new partnerships to fund future exploration programs and, if warranted by the results, to further develop the Bourdon Prospect.

RECENT DEVELOPMENTS

Canadian Malartic Mine 3% NSR Royalty

The information contain herein is derived from information released by the Agnico Eagle and Yamana, who jointly operates the Canadian Malartic Mine. Abitibi Royalties holds a 3% NSR on the portions of the Odyssey and East Malartic Projects that are within the Malartic CHL Property, which is located east of the Canadian Malartic open pit. The Company's 3% NSR also covers the Jeffrey Zone and the eastern portion of the Barnat Extension. Mr. Glenn Mullan, Chairman, is the Qualified Person (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects) who has reviewed the following based on the data provided and is responsible for the technical information reported herein.

a) Exploration Update

The Partnership is exploring the deposits to the east of the Canadian Malartic open pit including Odyssey, East Malartic and the Sheehan zones. These opportunities have the potential to provide new sources of ore for the Canadian Malartic mill.

During the first three quarters of 2018, a total of 98,335 metres has been drilled. In the third quarter of 2018, a total of 7,831 metres was completed at the East Malartic and Sheehan zones and 3,540 metres was completed at the Odyssey Zone. Agnico Eagle reported during their Third Quarter 2018 financial results conference call that they are now focused on the potential underground opportunities at Canadian Malartic, as the Partnership drills East Malartic and Odyssey. An update on the progress that is being made is scheduled to be released in February 2019. Agnico Eagle also stated that exploration drilling at East Malartic continues to return good results and during a corporate presentation in the third quarter of 2018 they highlighted that mineral resources continue to grow**.** As last reported by the Partnership, the 2018 exploration program consists of 140,000 metres with a budgeted cost of US$17.2 million.

The Partnership has reported that the goals for the 2018 exploration program at the Canadian Malartic Mine are to continue drilling Odyssey and East Malartic, expand mineral resources and transfer inferred mineral resources to indicated mineral resource in the shallower portions of the Odyssey South and East Malartic zones, drill to better define the geometry of the higher-grade Internal Zones at the Odyssey Zone and look to expand the pit mineral reserves.

b) Development activities

i. Barnat Extension

The Barnat Extension project (which includes the Jeffrey Zone) continues to progress on schedule and budget. Based on the production schedule provided by the Partnership, Abitibi Royalties anticipates royalty cash flow potentially commencing in the fourth quarter of 2018 (Please see news release dated March 19th, 2018 for three-year royalty production schedule). Any royalty for the fourth quarter of 2018 would be paid in January 2019.

ii. Odyssey South and East Malartic Zones

As last reported by the Partnership, permitting activities are underway for an exploration ramp to provide underground access to the shallower portions of Odyssey South and the East Malartic zones. Development of the ramp, which will provide access for underground drilling and collection of a bulk sample, is anticipated to begin in late 2018. The goal of the underground development program is to provide higher grade feed to the Canadian Malartic mill and extend the current mine life. The Company's 3% NSR royalty at Odyssey and East Malartic applies to any bulk sample or other form of production within Abitibi Royalties NSR boundaries.

Technical Information

Abitibi Royalties has not received any of the recent drill hole data that was completed during the third quarter of 2018. There can be no assurances that all or any of the recent drill holes intersected mineralization where the Company holds an NSR.

Legal Proceeding Update

The mine operators have disclosed various legal proceedings against the Canadian Malartic Mine in their respective regulatory filings. Should any of the legal proceedings be successful against the Canadian Malartic Mine, there is a risk that there could be a reduction in future production, which could potentially impact future royalty payments to Abitibi Royalties, although such impact, if any, is not known at this time. For more information please refer to Agnico Eagle and Yamana Gold's third quarter 2018 Management's Discussion and Analysis.

RECENT ACQUISITIONS

The Company made the following acquisitions which all have been paid in cash and from the Company's treasury.

a) Acquisition of 2% NSR on Revillard Property

On July 4, 2018, the Company announced that it has entered into an agreement with an arm's length party, to acquire a 2% NSR royalty on the Revillard property for the purchase price of US$50,000. The Revillard property is located approximately 10 kilometres northwest of the Canadian Malartic Mine in Québec and forms part of a larger set of claims known as the Malartic Project, which is under option by Dundee Precious Metals Inc.("Dundee")

The Revillard claims are currently part of a larger option agreement on the Malartic Project between Dundee and Pershimex Resources ("Pershimex"). Under the terms of the option agreement (Dundee news release July 4, 2017), Dundee can earn an initial 51% interest in the Malartic Project in exchange for certain cash payments totaling $412,500, the issuance of an aggregate of 70,000 common shares of Dundee and making expenditures on the property aggregating $2,500,000 within three years of the effective date of the option agreement. Thereafter, Dundee will have a further option to increase its interest to 71% by incurring an additional $3,500,000 in expenditures on the property within three years. During the option period, Dundee will be the operator of the Malartic Project.

During the second quarter of 2018, all assay results were received for the 1,942 metre scout drilling program, which was completed in early April 2018. New data is currently integrated with the geological model and will consist as a base for the second scout drilling program planned for the next winter season. Information contained herein is based on public disclosure made by Dundee and Pershimex and is without independent verification.

b) Acquisition of 15% NPI in the vicinity of Canadian Malartic Mine

On July 5, 2018, the Company announced that it has entered into an agreement with a group of arm's length, third party sellers, to acquire a 15% carried NPI on the mineral claims located immediately west of the Canadian Malartic Mine open pit in Abitibi, Québec, for the purchase price of $400,000. The mineral claims are owned and operated by the Canadian Malartic Mine.

The mineral claims contain the historic Radium Zone and the western portion of the CM West near pit target. Agnico Eagle has stated that it is evaluating several opportunities (which have not been approved) at a number of operations to enhance its production profile in 2019 through 2022. The near pit targets around the Canadian Malartic open pit, were identified as one such opportunity. The Company believes the CM West area is included in the near pit targets being evaluated.

c) Acquisition of 1.5% NSR on the Midway Project

On July 9, 2018, the Company announced that it has entered into an agreement with an arm's length party to acquire a 1.5% NSR royalty, for the purchase price of $752,000 (or US$575,000), on an area known as the Midway project, located east and south of the Canadian Malartic Mine in Abitibi, Québec. The Midway Project is owned and operated by the Canadian Malartic Mine.

The NSR covers Shaft 1 of the formerly producing Malartic Goldfields Mine, which operated from 1939 to 1965, to a depth of approximately 800 metres below surface. The Malartic Goldfields Mine produced approximately 1.7 million ounces of gold (A breakdown of the gold production covered by the Company's 1.5% NSR is unknown). A decline ramp into the near surface zones, believed to be covered by the Company's NSR, was most recently advanced up until 2010.

In 2008, Northern Star Mining Corp. ("Northern Star"), filed a NI 43-101 resource estimate Technical Report. The Company's NSR does not include two claims referenced in the Technical Report (CM306 and CM309). Northern Star's SEDAR profile contains additional news releases that highlights drill results and underground development after the Technical Reports publication. The Company believes the Midway Project has similar underground bulk tonnage potential as the East Malartic and Odyssey zones, where the Company holds a 3% NSR on portions of the projects and are owned by the Canadian Malartic Mine. In 2017, approximately US$1.3 million was budgeted for 9,000 meters of drilling at Midway.

A total of 1.0% of the NSR can be repurchased by the Canadian Malartic Mine by paying US$1.0 million to Abitibi Royalties.

d) Acquisition of various 1.5% NSR in the Abitibi region, Québec

On July 11, 2018, the Company announced that it has entered into an agreement with an arm's length party seller, to acquire various 1.5% NSR royalties on projects owned by Agnico Eagle Mines Limited throughout the Abitibi region in Québec for the purchase price of US$575,000.

These projects include 1) Callahan (6.5 km northeast and northwest of the Canadian Malartic Mine and Goldex Mine and 1.5 km north of the Wesdome's Kiena Deep discovery), 2) Cadillac (part of the LaRonde Mine), 3) Thompson River (part of the Goldex Mine) and 4) Malartic Break (6 km northwest of the Canadian Malartic Mine).

The Callahan Project is believed to be the most advanced of the four projects, which includes a vertical exploration shaft to a depth of approximately 230 metres that was constructed by Falconbridge Ltd. in 1980 and a 1.5-kilometre drift. In 2008, Northern Star, the projects former owner, filed a NI 43-101 Technical Report that contained a historical resource estimate for the Callahan Project.

A total of 1.0% of the NSR royalties can be repurchased by Agnico Eagle by paying US$1.0 million to Abitibi Royalties.

CORPORATE DEVELOPMENT

On June 29, 2018, Caisse de dépôt et placement du Québec ("CDPQ") made a strategic investment in Abitibi Royalties by purchasing 588,235 common shares (approximately 4.7% of the outstanding common shares) of the Company. In order to facilitate the investment by CDPQ, certain members of the Company's board, management and consultants (the "participants") exercised 516,470 stock options and the Company converted the participants' restricted share units ("RSUs") into 583,365 common shares and thereafter the participants agreed to sell, through a private transaction, 588,235 common shares to CDPQ. The proceeds from the shares sold to CDPQ were used to cover each participants' personal income tax.

DISCUSSION AND RESULTS OF OPERATIONS

	Three months ended September 30,		Nine months ended September 30,	
	2018	**2017**	**2018**	**2017**
Total revenues	$ **77,574**	$ 62,213	$ **229,568**	$ 196,966
Operating expenses	**(2,381,601)**	(505,374)	**(3,926,584)**	(1,808,939)
Financing costs	**(7,679,340)**	(49,626)	**(5,692,437)**	(1,089,324)
Deferred tax recovery	**1,681,377**	134,560	**2,262,234**	626,237
Net loss	$ **(8,301,990)**	$ (358,227)	$ **(7,127,219)**	$ (2,075,060)
Net loss per share				
Basic	$ **(0.66)**	$ (0.03)	$ **(0.60)**	$ (0.18)
Diluted	**(0.66)**	(0.03)	**(0.60)**	(0.18)

	As at September 30, 2018	As at December 31, 2017
Total Assets	$ **32,026,649**	$ 41,246,950
Total Liabilities	**2,555,439**	5,325,679

For the three months ended September 30, 2018, the Company reported net loss of $8,301,990 (or $0.66 loss per share) compared to a net loss of $358,227 (or $0.03 loss per share) for the same period in 2017. The net loss for the three months ended September 30, 2018 is mainly from the unfavourable change in the fair value of investments in the common shares of Agnico Eagle and Yamana in the amount of $8,286,116 and royalty expense of $1,972,750 relating to the NSR and NPI interests acquired in July 2018 as described above in "Recent Acquisitions", net of deferred tax recovery of $1,681,377.

Total Assets decreased from $41,246,950 as at December 31, 2017 to $32,026,649 as at September 30, 2018 as a result of the decrease of $8,286,116 in the fair market value of the Company's investments in the common shares of Agnico Eagle and Yamana that occurred in the third quarter of 2018.

Total Liabilities also decreased from $5,325,679 as at December 31, 2017 to $2,555,439 as at September 30, 2018 due to lower payroll related accruals, lower liability associated with the Company's derivative financial instruments and to the decrease in the deferred tax liabilities. The liability associated with the Company's derivative financial instruments has decreased from $1,428,140 as at December 31, 2017 to $1,194,040 as at September 30, 2018 as a result of favourable change in the fair value of $1,576,530 and of the expiration of derivative financial instruments with a fair value of $313,027, net of derivative instruments entered during the nine months ended September 30, 2018 amounting to $1,714,611.

Deferred tax liabilities have decreased by $2,262,234, from $3,482,519 as at December 31, 2017 to $1,220,285 as at September 30, 2108. Deferred income tax is primarily impacted by the change in the fair value of the Company's investments in the common shares of Agnico Eagle and Yamana as the tax cost on these investments is low compared to the market value of those common shares. The overall decrease in the deferred tax liability is a result of the unrealized loss of $7,760,425 in the fair market value of the common shares since December 31, 2017. In addition, deferred tax assets relating to the royalty expense of $1,972,750 and tax losses of $2,107,701 as a result of the conversion of the RSUs into common shares have been netted against the deferred tax liabilities.

Revenues

For the three and nine months ended September 30, 2018, the Company recognized revenues of $77,574 and $229,568 (compared to $62,213 and $196,966 for the three and nine months ended September 30, 2017), respectively, relating to dividends earned from the Company's investment in the common shares of Agnico Eagle and Yamana. Premiums received at the sale of options are not treated as revenue, which amounted to $613,789 and $1,714,610 during the three and nine months ended September 30, 2018.

Operating Expenses

Three months ended September 30, 2018 compared to three months ended September 30, 2017

For the three months ended September 30, 2018, the Company recorded operating expenses of $2,381,601 compared to $505,374 for the same period in 2017. The increase in operating expenses for the current quarter is due to the royalty expense of $1,972,750 relating to the NSR and NPI interests acquired in July 2018.

Nine months ended September 30, 2018 compared to nine months ended September 30, 2017

For the nine months ended September 30, 2018, the Company recorded operating expenses of $3,936,584 compared to $1,808,939 for the same period in 2017.

The increase in operating expenses is due to the royalty expense of $1,972,750 relating to the NSR and NPI interests acquired in July 2018, higher salaries and other employee benefit expense of $1,109,689 (compared to $944,215 for 2017) as the Company incurred payroll levies of $471,820, representing the Company's contribution on the taxable benefits realized on exercise of stock options and the conversion of the RSU into common shares, relating to the transaction with CDPQ as described above in "Corporate Development" and due to higher professional fees as a result of increase in investor relation/business development activities and assumption of certain consultant fees from the termination of the Management and Administrative Services Agreement with Golden Valley as further described below under "Related Party Transactions".

Finance income (costs)

Three months ended September 30, 2018 compared to three months ended September 30, 2017

For the three months ended September 30, 2018, the Company recorded finance costs of $7,679,340 compared to $49,626 for the same period in 2017. Finance costs for 2018 includes a change in fair value of investments in the amount of $7,609,163 compared to $5,786,182 for the same period in 2017. The unfavourable change in fair value of investments primarily relates to the unrealized losses in the amount of $8,286,116 on the fair market value of the Company's investments in the common shares of Agnico Eagle and Yamana, net of favourable change of $699,343 in the fair value of the liability associated with the Company's derivative financial instruments.

The Company is also subject to fluctuation in the exchange rate with the US Dollar resulting in a foreign exchange loss of $40,865 for the three months ended September 30, 2018 compared to a foreign exchange loss of $230,990 for the same period in 2017. As at September 30, 2018, cash in US dollars included US$1,936,711 representing $2,507,071 of the total of $3,695,283 when converted into Canadian dollars. The US dollar has weakened relative to the Canadian dollar from an exchange rate of $1.3168 per every US dollar as at June 30, 2018 to $1.2945 per every US dollar as at September 30, 2018.

Nine months ended September 30, 2018 compared to nine months ended September 30, 2017

For the nine months ended September 30, 2018, the Company recorded finance costs of $5,692,437 compared to $1,089,324 for the same period in 2017. Finance costs for 2018 includes a change in fair value of investment in the amount of $5,786,182 compared to $639,537 for the same period in 2017. The unfavourable change in fair value of investments in 2018 primarily relates to the unrealized losses in the amount of $7,760,425 on the fair market value of the Company's investments in the common shares of Agnico Eagle and Yamana, net of favourable change of $1,576,530 in the fair value of the liability associated with the Company's derivative instruments and of the recognition of premiums on expired derivative instruments in the amount of $313,026.

The Company is also subject to fluctuation in the exchange rate with the US Dollar resulting in a foreign exchange gain of $147,599 for the nine months ended September 30, 2018 compared to a foreign exchange loss of $402,951 for the same period in 2017. The US dollar has strengthened relative to the Canadian dollar from an exchange rate of $1.2545 per every US dollar as at December 31, 2017 to $1.2945 per every US dollar as at September 30, 2018.

Deferred tax recovery

For the three and nine months ended September 30, 2018, the Company recognized deferred tax recovery of $1,681,377 and $2,262,234, respectively, compared to deferred tax recovery of $134,560 and $626,237 for the same period in 2017.

Deferred income tax is impacted by the change in the fair value of the Company's investments in the common shares of Agnico Eagle and Yamana as the tax cost on these investments is low compared to the market value of those common shares. The potential tax liability on the capital gain to be realized on the eventual sale of those common shares has been recognized in the deferred tax liability of $1,220,285 as at September 30, 2018, a reduction from the deferred tax liability balance of $2,262,234 as at December 31, 2017.

The overall decrease in the deferred tax liability is a result of the unrealized loss of $7,760,425 in the fair market value of the common shares. Deferred tax assets relating to the royalty expense of $1,972,750 and tax losses of $2,107,701 as a result of the conversion of the RSUs into common shares have also been netted against the deferred tax liabilities.

FINANCIAL CONDITION REVIEW

Cash

The Company ended the third quarter of 2018 with cash (including restricted cash) of $3,695,283 compared to $5,066,212 as at December 31, 2017. The Company holds cash balances in both Canadian and U.S. dollars.

Restricted cash

Restricted cash of $539,185 (or US$416,250) relates to funds held as collateral on the put option contracts of 35,600 shares of Agnico referred to in "Derivative financial instruments". The funds will become unrestricted once the put option contracts are exercised, repurchased or expired.

Investments

	As at September 30, 2018			As at December 31, 2017		
	Number of shares		**Fair value**	Number of shares		Fair value
Yamana Gold Inc.	**3,549,695**	$	**11,430,018**	3,549,695	$	13,914,804
Agnico Eagle Mines Limited	**378,997**		**16,721,348**	378,997		21,996,986
			28,151,366			35,911,790
Other investments	-		**86,147**	-		183,730
		$	**28,237,513**		$	36,095,520

As of the date of this report the Company is holding 3,549,695 shares of Yamana and 378,997 shares of Agnico Eagle.

Derivative Financial Instruments

For the nine months ended September 30, 2018, the Company sold 31,939 call and 1,302 put option contracts (3,698 calls and 1,302 puts on Agnico shares and 28,241 calls on Yamana Gold shares) for total cash proceeds of $1,714,611 (or US$1,331,382). In addition, 18,927 call and 946 put option contracts expired (1,024 calls and 946 puts on Agnico and 17,903 calls on Yamana) and 14,984 contracts were repurchased before expiration (3,500 calls and 651 puts on Agnico and 10,833 calls on Yamana) for which the Company paid $72,030 (or US$55,667).

For the nine months ended September 30, 2017, the Company sold 29,417 calls and 4,444 put option contracts (3,476 calls and 4,444 puts on Agnico Eagle shares and 25,941 calls on Yamana Gold shares) for total cash proceeds of $1,225,554 (or US$937,112). In the same period, 17,030 option contracts (2,007 calls and 3,358 puts on Agnico Eagle and 11,665 calls on Yamana) expired or were repurchased before expiration.

The Company only sells call options when it owns the underlying shares. Should covered calls be sold, it is the Company's objective to use strike prices that are anticipated to be well above the share price of Agnico Eagle and Yamana at the time the contract is written, with contracts generally expiring between 1 month and 2 years. The Company only writes put contracts when it has the required funds (in the currency which the contract was written) to purchase the underlying shares should the put contract be exercised. The contract expiry for the puts has ranged from 1 to 5 months.

The status of the call option contracts as of the date of this report is presented in the table below:

	Price in US Dollars	Number of shares	Option Expiry Date	% of shares held
Agnico Eagle	$ 50	46,000	January 18, 2019	12.14%
	$ 50	5,000	May 17, 2019	1.32%
	$ 50	159,100	January 17, 2020	41.98%
	$ 50	17,500	January 15, 2021	4.62%
	$ 55	30,000	January 17, 2020	7.92%
	$ 60	33,900	January 17, 2020	8.94%
	$ 65	38,900	January 17, 2020	10.26%
		330,400		**87.18%**

	Price in US Dollars		Number of shares	Option Expiry Date	% of shares held
Yamana Gold	$	4.00	142,700	January 18, 2019	4.02%
	$	4.00	1,025,200	January 17, 2020	28.88%
	$	4.00	269,400	January 15, 2021	7.59%
	$	4.50	267,700	January 17, 2020	7.54%
	$	5.00	761,500	January 17, 2020	21.45%
	$	5.50	278,400	January 17, 2020	7.84%
	$	7.00	464,600	January 17, 2020	13.09%
			3,209,500		**90.42%**

The status of the put option contracts as of the date of this report is presented in the table below:

	Price in US Dollars		Number of shares	Option Expiry Date	Potential Costs
Agnico Eagle	$	39	35,600	November 16, 2018	$ 1,388,400
			35,600		
Potential costs if put options are exercised:				USD	$ 1,388,400
Potential costs if put options are exercised:				CDN	$ 1,874,340

Deferred income liabilities

The deferred tax liability totaled $1,220,285 as at September 30, 2018 compared to $3,482,519 at December 31, 2017. As previously discussed, the deferred tax liability relates to the tax liability on the capital gain to be realized on the eventual sale of Abitibi Royalties' investment in the common shares of Agnico and Yamana, net of the deferred tax assets from royalty costs of $1,972,750 and non-capital losses realized in the current period and prior years.

SUMMARY OF QUARTERLY RESULTS

The following table presents selected quarterly financial information for the last eight quarters:

	Sept 2018	June 2018	Mar 2018	Dec 2017	Sept 2017	Jun 2017	Mar 2017	Dec 2016
Total revenues ($)	77,574	76,350	75,643	70,459	62,213	67,471	67,282	122,071
Net income (loss) and total comprehensive income (loss) for the period ($)	(8,301,990)	3,125,870	(1,951,099)	1,878,944	(358,227)	(1,204,489)	(512,344)	(9,680,306)
Net earnings (loss) per share								
- Basic	(0.66)	0.27	(0.17)	0.16	(0.03)	(0.11)	(0.05)	(0.09)
- Diluted	(0.66)	0.25	(0.17)	0.15	(0.03)	(0.11)	(0.05)	(0.09)

- For the three months ended June 30, 2018, the Company reported net income of $3,125,870 (or $0.27 earnings per share) compared to a net loss of $1,204,489 (or $0.11 loss per share) for the same period in 2017. The higher net income for the three months ended June 30, 2018 is mainly from the change in fair value of investments and derivative instruments in the common shares of Agnico Eagle and Yamana in the amount of $3,854,228, offset by higher salaries and employee benefits expense from payroll levies associated with the participant's exercise of stock options and conversion of the RSUs into common shares on the transaction with CDPQ.

- For the three months ended March 31, 2018, the Company reported a net loss of $1,951,099 (or $0.17 loss per share) compared to a net loss of $512,344 (or $0.05 loss per share) for the same period in 2017. The higher net loss for the first quarter of 2018 is mainly from the change in fair value of investments and derivative instruments in the common shares of Agnico Eagle and Yamana in the amount of $2,031,247, offset by lower salaries and employee benefits expense.

- For the fourth quarter ended December 31, 2017, the Company reported a net income after deferred income taxes of $1,878,944. The principal components are net dividend and royalty income of $70,459, remuneration expenses of $579,151, which include year-end bonuses of $213,250 and shared-based payment related to the RSU of $136,467, professional fees of $126,446, management fees of $24,000 paid to Golden Valley and an increase of $2,790,721 in the fair value of the Company's investments.

- During the third quarter ended September 30, 2017, the Company reported a net loss after deferred income taxes of $358,227. The principal components are net dividend income of $62,213, remuneration expenses of $354,090 which includes $136,467 of shared-based payment related to the RSU granted in 2016, professional fees of $112,864, management fees of $24,000 paid to Golden Valley Mines, an increase of $196,335 in the fair value of the Company's investments and a loss on exchange of $230,990.

- During the second quarter ended June 30, 2017, the Company reported a net loss after deferred income taxes of $1,204,489. The principal components are net dividend income of $67,471, remuneration expenses of $337,376 which includes $134,984 of shared-based payment related to the

RSU granted in 2016, professional fees of $99,827, management fees of $24,000 paid to Golden Valley Mines and a reduction of $864,112 in the fair value of the Company's investments.

- During the first quarter ended March 31, 2017, the Company reported net loss of $512,344 after deferred income tax recovery of $241,002. Revenues of $67,282 from dividend was offset by the following expenses; Remuneration of $657,700, including executive salaries and director fees, paid or accrued, and $133,500 for the RSU granted in 2016, professional fees of $88,305, management fees of $24,000 paid to Golden Valley pursuant to the Management Agreement, royalty purchases of $20,977 and office expenses of $13,544.

- During the fourth quarter ended December 31, 2016, the Company reported net loss of $9,680,306 mainly resulting from the reduction of $13,114,283 in the fair value of the investment in the shares of Agnico Eagle and Yamana, offset by the $2,557,823 reduction of the fair value of the obligation related to the derivative financial instruments and the resulting reduction in the deferred tax liabilities of $2,050,478. Other components of the fourth quarter results are the following: i) dividend income of $122,071, ii) royalty purchases of $32,431, iii) remuneration of $233,540 and allocated value to RSU granted of $778,455, iv) professional fees of $70,979 composed of audit, tax and accounting fees of $8,574, of legal fees of $26,730 of other consulting fees, including administration and media relation, of $32,831 and Exchange, regulatory and transfer agent fees of $2,844, iv) management fees of $24,000 paid to Golden Valley pursuant to the Management Agreement and v) office expenses of $10,187.

LIQUIDITY AND CAPITAL RESOURCES

Total assets of the Company as at September 30, 2018 were $32,026,649 (December 31, 2017 - $41,246,950), which includes $3,695,283 in cash and restricted cash (December 31, 2017 - $5,066,212), and long-term investments mainly consisting of common shares in Agnico Eagle and Yamana totaling $28,237,513 (December 31, 2017 - $36,095,520). The Company also had working capital of $2,414,630 as at September 30, 2018, compared to $3,268,918 as at December 31, 2017.

Cash outflow from operating activities, including changes in non-cash working capital, for the nine months ended September 30, 2018 totaled $3,772,469 compared to $1,293,596 for the same period in 2017. The increase in cash outflows is primarily due to royalty expense of $1,972,750 relating to the NSR and NPI interests acquired in July 2018, higher salaries and other employee benefits due to the payroll levies required to be remitted on the exercise of stock options and conversion of the RSUs into common shares as well as higher professional fees relating to investor relations and business development activities.

Investing activities resulted in net cash inflows of $182,269 for the nine months ended September 30, 2018 compared with $6,098,350 for the same period in 2017. The higher cash inflows in 2017 is the net result of the Company being called to deliver 108,700 shares of Agnico Eagle and received, net of commission paid, $6,098,350 (or US$4,564,813) from the covered call contract it had sold on January 20, 2017.

Financing activities resulted in net cash inflows of $2,077,579 for the nine months ended September 30, 2018 compared with cash outflows of $612,311 for the same period in 2017. Cash flows from financing activities relate primarily to proceeds of $1,655,457 from the sale of calls and put option contracts, and issuance of common shares from the exercise of the stock options for proceeds of $461,204.

Financing activities for the nine months ended September 30, 2017 include disbursements of $614,930 from the buy back and cancellation of 66,600 common shares of the Company in the open market under the Company's Normal Course Issuer Bid program.

The Company's objectives in managing its capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure. The Company manages its capital structure and adjusts it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may issue new shares or repurchase shares under its Normal Course Issuer Bid to improve its financial performance and flexibility. The Company's capital is composed of its shareholders' equity. The Company is not subject to any externally imposed capital requirements. The Company has not declared or paid any dividends.

As at September 30, 2018, shareholders' equity amounted to $29,471,210 compared to $35,921,271 at December 31, 2017. Shareholder's equity increased by the amount of the net income reported for the period. (Refer to "Discussion and Results of Operations" and "Summary of Quarterly Results" above).

CONTRACTUAL OBLIGATIONS

Executive Employment Agreements

The employment agreement for the Company's Chairman states that he would be paid a gross annual salary of $220,000 and is entitled to receive stock options, RSUs and to participate in any bonus or other employee or management incentive plans adopted by the Company, in such amounts as may be reasonably determined by the Board in its sole discretion. The Company may terminate the Chairman's employment without cause on giving him 12 months' notice in writing during which time he would be entitled to payment of one year salary on a monthly basis, continuation of benefits during the notice period, as well as any bonus and equity compensation that he would have been entitled to during the one year notice period in accordance with the parameters set out by the Employer's Compensation Committee and based on actual compensation received by him over the prior 12 months or at the Company's option, the equivalent payment in lieu of notice, based on the Chairman's global remuneration at the time of termination. Global remuneration includes: (i) an amount equal to one-year salary in effect at the time, (ii) a bonus entitlement equal to 50% of the one-year salary in effect at the time; and iii) all equity compensation that the Executive would have been entitled to receive during the notice period which would be based on the equity compensation granted to the Chairman over the 12 months prior to the commencement of the notice period. In the event of a Change of Control, the Chairman would be entitled to two times his salary.

The employment agreement for the Company's President and CEO states that he would be paid a gross annual salary of $325,000 and is entitled to receive stock options, RSUs and to participate in any bonus or other employee or management incentive plans adopted by the Company, in such amounts as may be reasonably determined by the Board in its sole discretion. In the event of a termination without cause, the President and CEO is entitled to two times his salary and continuation of benefits for 24 months. In the event of Change of Control, severance is the same as termination.

The employment agreement for the Company's Chief Financial Officer states that he would be paid a gross annual salary of $90,000 and is entitled to receive stock options, RSUs and to participate in any bonus or other employee or management incentive plans adopted by the Company, in such amounts as may be reasonably determined by the Board in its sole discretion. In the event of a termination without cause, the Chief Financial Officer is entitled to one time his salary and continuation of benefits for 12 months. In the event of Change of Control, severance is the same as termination.

Following the transaction with CDPQ as described above, the Company terminated its RSU plan thereby eliminating the remaining 313,404 RSU's that were available for issuance. The Company also has not renewed its stock option plan and has not granted options under the current plan since September 2014.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at September 30, 2018 or as at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the amounts reported in the condensed interim financial statements and accompanying notes. Management believes that the estimates used in the preparation of the condensed interim financial statements are reasonable; however, actual results may differ materially from these estimates. The areas involving significant judgments, estimates and assumptions have been detailed in note 5 to the Company's annual audited financial statements for the year ended December 31, 2017.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has adopted the accounting standards IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers", effective January 1, 2018. These adoptions were made in accordance with applicable transitional provisions and resulted in the changes in accounting policies. The changes in accounting policies including those that have not been adopted are explained in Note 2 of the unaudited interim financial statements as at September 30, 2018.

RELATED PARTY TRANSACTIONS

The information pertaining to related party transactions is disclosed in Notes 12 and 14 of the unaudited interim financial statements as at September 30, 2018.

<u>Transactions with Golden Valley</u>:

Golden Valley has agreed to provide the Company with the services of a qualified geologist at an hourly charge equal to the hourly charge to Golden Valley. For the nine months ended September 30, 2018, the Company did not incur any geological fees (for the nine months ended September 30, 2017 - $1,874).

Up to December 31, 2017, the Company was remunerating the accounting and administrative services of a consultant (the former CFO of Abitibi Royalties) through the management fees paid to Golden Valley under the Management and Administrative Services Agreement (refer to Note 12 of the unaudited condensed interim financial statements as at September 30, 2018). For the three and nine months ended September 30, 2017, remuneration of the consultant derived from the management fees amounted to $21,501 and $64,503, respectively. Effective January 1, 2018, the Company terminated the Management and Administrative Services Agreement with Golden Valley with no further amounts payable. Pursuant to the termination, administrative, management and financial services such as office space, administrative support and services of the consultant previously provided by Golden Valley has been be assumed by the Company. For efficiency reasons, where the Company and Golden Valley are dealing with the same suppliers one may pay for both and be reimbursed by the other. As at September 30, 2018, the Company had indebtedness of $17,913 to Golden Valley (December 31, 2017 - $717).

Transactions with Executive officers and Directors:

Key management personnel of the Company are the members of the board of directors, as well as the President and Chief Executive Officer and the Chief Financial Officer. In accordance with its Executive Compensation Policy the Company has, during the three months ended September 30, 2018 and 2017, paid or accrued salaries as shown in the table below:

	Three months ended September 30,			
		2018		2017
Salaries and benefits	$	**160,856**	$	143,750
Meeting fees		**37,500**		37,500
Payroll levies		**15,028**		36,373
		213,384		217,623
Share-based compensation		**-**		136,467
	$	**213,384**	$	354,090

The President and Chief Executive Officer is using his Toronto Property as an office for the Company and is being reimbursed the expenses related to the premises. For the nine months ended September 30, 2018, the Company has paid $5,253 (for the nine months ended September 30, 2017 -$5,093) for the Toronto office.

As at September 30, 2018, some of the salaries, meeting fees and year-end performance bonuses in the amount of $37,500 (as at December 31, 2017 - $284,578) had not been paid and were included in account payables and accrued liabilities.

CAPITAL STOCK INFORMATION

Authorized

The Company is authorized to issue an unlimited number of common shares without nominal or par value and an unlimited number of preferred shares without nominal or par value, issuable in one or more series with restrictions as determined by the Company’s board of directors.

Issued and Outstanding

The following details the issued and outstanding securities of the Company as at the date of this MD&A:

	Total Outstanding	Escrowed
Common shares	12,519,539	Nil
Preferred shares	Nil	Nil
Warrants	Nil	Nil
Incentive stock options	81,171	Nil
Restricted share units	-	Nil

Normal Course Issuer Bid ("NCIB").

On September 25, 2017, the Company announced the renewal of its normal course issuer bid ("NCIB") from October 6, 2017 to October 5, 2018 allowing the Company to purchase for cancellation 569,797 of its issued and outstanding common shares. Common shares purchased under the NCIB will be cancelled.

On September 26, 2018, the Company received conditional acceptance to renew its NCIB for another year until October 5, 2019. This new approval allows the Company to purchase up to 626,306 (representing 5% of the Company's total issued and outstanding common shares as of September 25, 2018) of its common shares.

For the nine months ended September 30, 2018, the Company repurchased and cancelled 4,600 of its common shares at prices varying from $9.60 to $9.99 for a total of $44,949.

For the nine months ended September 30, 2017, the Company repurchased and cancelled 66,600 of its common shares at prices varying from $9.03 to $9.40 for a total of $614,930.

Subsequent to quarter end, the Company repurchased and cancelled 4,700 of its common shares at prices varying from $8.88 to $9.89 for a total of $45,192.

Incentive Stock Options

The Company has adopted a 20% fixed option plan (the "Plan") in 2013. Pursuant to the Plan, options, for an aggregate total of 1,740,200 common shares, (representing 20% of the issued number of common shares outstanding at the time) may be granted to its directors, officers, employees, consultants or management companies' employees from time to time. The exercise price of each option is fixed by the Board of Directors but would not be less than the closing price of the Company's share on the trading day immediately prior to the date of grant less any discount permitted by the TSX Venture Exchange (the "Exchange"); if no sales were reported, it would be the sales closing price on the last trading day immediately prior to the date of grant on which sales were reported. The vesting period of the options would be determined by the Board of Directors, in accordance with the rules and regulations of the Exchange.

No incentive stock options were granted for the nine months ended September 30, 2018.

The Company has not renewed its stock option plan and has not granted stock options under the current plan since September 2014. There are no stock options available under the plan.

The particulars of the outstanding incentive stock options at the date of this report are as follows:

Exercise price	Number of options	Expiration Date
$ 2.18	47,733	June 2, 2019
$ 3.62	13,438	September 15, 2019
$ 3.70	20,000	September 19, 2019
	81,171	

Restricted Share Units

The Company's Board of Directors had implemented a Restricted Share Unit Plan (the "RSU Plan"), which provided that restricted share units ("Share Units") could be granted by the Company's Compensation and Corporate Governance Committee (the "Committee") to executive officers, directors, bona-fide full or part-time employees and consultants (each a "Participant") as a bonus or similar payment in respect of services rendered or otherwise as compensation, including as an incentive for future performance, or in satisfaction of dividends declared by the Company and payable to Participants. The aggregate number of common shares issuable pursuant to Share Units granted under the RSU Plan, prior to its termination at the end of the second quarter of 2018, would not, exceed 896,769 common shares, among other limits with respect to individual grants under the RSU Plan. At the time Share Units were granted to a Participant, the Committee determined any time-based or other conditions as to the vesting of the Share Units and the expiry date (the "Expiry Date") for such Share Units. The Expiry Date of a Share Unit granted was the third anniversary of its date of grant, unless the Committee determines an earlier date, or subject to accelerated expiry in the event of a change of control of the Company.

In fiscal year 2016, the Company granted 583,365 Share Units to officers, directors and consultant of which 25% vested on the date of grant with the remaining balance vesting equally on each anniversary date of grant. Expiration dates for the two grants of 72,500 and 510,865 are February 4, 2019 and March 16, 2019, respectively.

On June 29, 2018, the RSUs were converted into 583,365 common shares of the Company, of which 360,572 were sold to CDPQ. The remaining RSU shares of 222,794 will be held in escrow until their original expiration dates of February 4, 2019 and March 19, 2019. Following the transaction with CDPQ, the Company terminated its RSU Plan, thereby eliminating the remaining 313,404 RSUs that were available for issuance.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The risks pertaining to the financial instruments are disclosed in Note 20 to the Company's annual audited financial statements for the year ended December 31, 2017.

NON-IFRS MEASURE

The Company has referred to working capital throughout this document. Working capital is a Non-IFRS performance measure. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

		September 30, 2018		December 31, 2017
ASSETS				
Current				
Cash	$	3,156,098	$	4,521,160
Restricted cash		539,185		545,052
Other receivables		23,069		23,591
Sales taxes recoverable		18,032		13,433
Prepaid expenses		13,400		8,842
		3,749,784		5,112,078
Current				
Accounts payable and accrued liabilities				
Accounts payable and accrued liabilities		141,114	$	415,020
Derivative financial instruments		1,194,040		1,428,140
		1,335,154		1,843,160
Working Capital	$	**2,414,630**		**3,268,918**

RISK AND UNCERTAINTIES

- **Investment of Speculative Nature**

Investing in the Company, at this early stage of its development, is of a highly speculative nature.

- **Fluctuation in Market Value of Shares**

The market price of the Company's shares could be subject to wide fluctuations in response to other factors beyond its control, such as fluctuations in the valuations of companies perceived by investors to be comparable. Furthermore, the stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of the companies in which the Company has or could have investments, such as Agnico Eagle and Yamana. These broad market fluctuations, as well as general economic, systemic, political, and market conditions, such as recessions, interest rate changes, or international currency fluctuations, may negatively affect the market price of the Company's shares.

- **Derivatives instruments**

Due to the complex nature and market volatility that may influence the market value of the shares, selling of call and put options is subject to risk including limiting the potential upside gains and being obligated to purchase the underlying shares above the current market value. Although all risks cannot be eliminated, the Company is mitigating these risks by owning the underlying shares or having the cash requirement to meet its obligations.

- **Nature of Mineral Exploration and Mining**

Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. Acquired royalty interests, particularly on development stage properties, are subject to the risk that they may not produce anticipated revenues or any revenue at all.

- **Exploration and Development Risks**

Resource exploration and development is a speculative business, involving considerable financial and technical risks, including the failure to discover mineral deposits, market fluctuations and government regulations, which are beyond the control of the Company.

Development and operation of mines is very capital intensive and any inability of the operators of properties where we hold royalty and other interests to meet liquidity needs, obtain financing or operate profitably could have material adverse effects on the value of and revenue from our royalty and other interests.

- **Passive Interest**

Revenue is, and will be, derived from royalty interests on properties operated by third parties. The holder of a royalty interest typically has no authority regarding the development or operation of a mineral property. Therefore, we typically are not in control of decisions regarding development or operation of any of the properties on which we hold a royalty interest and we have limited legal rights to influence those decisions.

- **Significant Adverse Impact**

Certain of our royalty interests are or could be significant to us and any adverse development related to the subject property could adversely affect future potential revenues.

- **Uncertainty due to Estimation**

Estimates of reserves/resources and mineralization by the operators of mines in which we have royalty and other interests may be subject to significant revision.

Estimates of production by the operators of mines in which we have royalty and other interests are subject to change, and actual production may vary materially from such estimates.

- **Additional Financing**

We may require additional equity or debt financing to acquire additional investment interests and implement our business plan. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of future investment portfolio acquisitions

- **Stress in the Global Economy and Financial Condition**

The adverse effects on the capital markets generally make the raising of capital by equity or debt financing much more difficult and the operators of properties where we hold royalty and other interests are dependent upon the capital markets to raise financing.

- **Permits and Licenses**

There can be no assurances that the operators of properties where we hold royalty and other interests will be able to obtain all necessary licenses and permits required to carry out exploration, development and mining operations.

- **Competition**

We face substantial competition in the acquisition of royalty and other investment interests. We have competitors that are engaged in the acquisition of royalty and other interests, including competitors with greater financial and other resources, and we may not be able to compete successfully against these companies for new investment acquisitions to fulfill our business plans.

- **No Assurance of Title to Property**

Unknown defects or impairments in our royalty or other interests and title defects could adversely affect our business and revenues. If title to properties is not properly maintained by the operators, or is successfully challenged by third parties, our royalty and other interests could be found to be invalid.

- **Dependence on Key Individuals**

The Company is dependent on a relatively small number of key personnel, the loss of any one of whom could have an adverse effect on the Company.

- **Environmental Risks for Current and Past Activities and other Regulatory Requirements**

The Company may be liable for environmental contamination and natural resource damages relating to properties that it currently owns, operates or have an interest in, or at which environmental contamination occurred while or before it owned, operated or acquired an interest in the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company.

- **Political Regulatory Risks**

Any changes in government policy may result in changes to laws affecting the Company's ability to undertake exploration and development activities in respect of present and future properties.

- **Conflicts of Interest**

Some of the directors and officers of the Company are also directors and officers of other companies, some of which are in the same business as the Company. This situation may result in conflicting legal obligations which may expose the Company to liability to others and impair its ability to achieve its business objectives.

- **Insurance**

The Company will remain at risk and will be potentially subject to liability for hazards associated with mineral exploration which it cannot insure against or which it has elected not to insure against because of premium costs or other reasons.

- **Influence of Third-Party Stakeholders**

Claims by third parties on the lands in which the Company holds interests, or the exploration equipment and road or other means of access which the Company intends to utilize in carrying out work programs or general exploration mandates, even if not meritorious, may create delays resulting in significant financial loss and loss of opportunity for the Company.

ADDITIONAL INFORMATION

Additional information about the Company may be obtained on SEDAR at www.sedar.com by accessing the Company's issuer profile.