This Management's Discussion and Analysis ("MD&A") of Dajin Resources Corp. (the "Company") is dated March 29, 2018. This MD&A should be read in conjunction with the Audited Consolidated Financial Statements and accompanying notes for the fiscal year ended November 30, 2017.

CORPORATE OVERVIEW

The Company was incorporated under the British Columbia Company Act on August 5, 1987 and is publicly traded on the TSX Venture Exchange under the symbol TSX-V:**DJI,** on the OTCQB in the United States under the symbol OTC:**DJIFF** and in Germany under the symbol **C2U1**.

The Company, together with its subsidiaries, is engaged principally in the acquisition and exploration of mineral properties located in the Argentina and the United States. The recovery of the Company's investment in mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development and the future proceeds from the disposition of those reserves.

On November 3, 2016, the Company reported that Dajin management has optimized the location of drill sites at Dajin's 100% owned Teels Marsh Lithium brine project in Mineral County, Nevada based on results from a newly interpreted reflection seismic survey. A full interpretation of the 19 km (12 mi) long survey was completed by Dajin Director, Dr. Mark Coolbaugh, in conjunction with the University of Nevada, Reno.

The new seismic interpretation has significantly improved the structural model of deep basin development, which in turn has been used to refine drill target locations. The updated structural model consists of a composite half-graben, within which basin development has shifted westward over time. The seismic interpretation also confirmed earlier estimates based on gravity modeling that the closed basin underlying Teels Marsh may be well over 2,000 metres (6,500 feet) deep.

Two proposed drill holes have been positioned above the deeper portions of two separate sub-basins in the new structural model. The first drill hole will test a sub-basin at the west end of Teels Marsh, where Lithium concentrations in shallow brines sampled by augers ranges from 0.2 to 71 ppm. The second drill hole will test the deepest sub-basin which is more centrally located within the playa.

On February 7, 2017, the Company announced that it had increased its claim block holdings at the Teels Marsh project located in Mineral County, Nevada to cover an expanded deep Lithium brine target. An additional 66 placer claims have been staked bringing the total land position to 403 placer claims covering 7,914 acres (3,202 hectares).

The expanded target area was identified from structural analysis of Dajin's seismic reflection survey. The seismic profiles reveal that the deeper portion of the sedimentary basin extends approximately 1 mile (1.5 km) farther to the northwest than is evident at the surface, encompassing an additional area of 2 square miles (5 km^2). As brines tend to sink due to their greater density relative to fresh water, this newly defined deep northwest portion of the basin is especially prospective for the potential accumulation of Lithium brines.

The additional claims acquired by Dajin also protect its Lithium brine deposit from potential fragmentation by other developers seeking to acquire a footprint in the valley. The large land base will enable Dajin to expedite the development of the project as it moves forward on the infrastructure work. Dajin recently met with Federal and State agencies to discuss all aspects of the permitting process required to initiate the Teels Marsh drill program.

On March 16, 2017, the Company released the seismic interpretation report, with maps and cross sections, for its Teels Marsh property in Mineral County, Nevada.

Dajin Director, Dr. Mark Coolbaugh in collaboration with researchers at the Nevada Bureau of Mines and Geology (NBMG), at the University of Nevada ("UNR"), Reno prepared the report. UNR's involvement was made possible by a grant to the Nevada Bureau of Mines and Geology at UNR from Dajin Resources (US) Corp. The report completed the analysis of the high-resolution reflection seismic data and updated the structural interpretation of the playa. This data has also been used to refine well targeting as to depth and location and will provide constraints for interpreting aquifer distributions following drilling.

The results confirm that the sedimentary basin at Teels Marsh is up to 8,200 feet (2,500 metres) in depth. The seismic sections reveal a number of strong reflectors that are variable in strength with depth but can be traced laterally for significant distances. The exact nature of these strong reflectors cannot be confirmed until drilled, but their presence verifies the stratified nature of the basin fill deposits. Many of the reflectors are likely to correspond to accumulations of volcanic ash and/or gravels or other types of sedimentary deposits. Ash deposits from Long Valley Caldera (called the Bishop Tuff) are likely to be found in the marsh due to the size of the catchment basin (313 mi^2 or 812 km^2 in size) and its proximity to Long Valley. These ash layers have proven to be productive brine sources in Clayton Valley, where the Silver Peak Lithium brine mine is located and operated by Albemarle Corporation.

On March 23, 2017, the Company announced that it has received the permit (Notice NVN-94695) from the Bureau of Land Management to proceed with drilling and civil works at its 100% owned Teels Marsh project located in Mineral County, Nevada.

Dajin's President, Mr. Brian Findlay remarked, "This Notice has been a long time coming but encompasses a significantly different approach to exploration for Lithium brines in Nevada than undertaken by other companies. The Notice includes permission for the drilling of four large diameter wells, potentially to a depth of 4,000 feet (1,200 meters). These wells are intended to follow-up on the excellent surface brine results that Dajin previously announced. The drilling of deep, large-diameter, cased wells with the ability to discharge, is intended to not only measure the concentration of Lithium in the subsurface but to also carry out robust aquifer testing of any Lithium bearing subsurface aquifer(s) that may be encountered during the drilling. The testing volumes proposed for these wells could discharge up to a maximum of 20 acre-feet per well. This testing volume is possible because Dajin holds water rights in Teels Marsh".

During the application process, a number of ancillary permits were acquired by Dajin in order to proceed with its exploration drilling plans. Dajin has temporary permits to change the point of diversion for each of the proposed wells under their base Water Right Permit #85204. Dajin has also received a Special Use Permit from Mineral County for use of heavy equipment on county roads. An agreement to obtain a local source of gravel from private land within the basin has also been completed. Dajin thanks its contractors Welsh Hagen Associates (civil works and permitting), and Capuano Engineering (drilling design), Mahannah & Associates (water rights permitting) and EM Strategies (formerly Enviroscientists; base-line studies), for their help through this process.

On April 4, 2017, the Company announced that it is releasing a National Instrument 43-101 report for its 100% owned Teels Marsh property in Mineral County, Nevada.

Dajin President, Brian Findlay remarked "This NI 43-101 report pulls together, interprets and verifies the results of the exploration work that Dajin has been undertaking at Teels Marsh since staking the property in 2014". The report was prepared by Dajin Directors Dr. Mark Coolbaugh, CPG (the lead author) and Dr. Catherine Hickson, P. Geo, the Qualified Persons. Dajin's exploration work has included auger sampling to a depth of 10 feet (3 meters), direct push drilling up to 200 feet (60 meters), completion of gravity and seismic surveys, and a structural analysis of basin development.

The advantages of Dajin's Teels Marsh project include identified near-surface Lithium brines, granted water rights and minimal land fragmentation due to other stakeholders in the project area. The basin beneath the playa is up to 8,200 feet (2,500 meters) deep and has a catchment area of 313 mi^2 (811 km^2). Additionally, groundwater from the nearby Huntoon Valley catchment area (116 mi^2/ 300 km^2in size) may flow into Teels Marsh. Teels Marsh basin most likely contains significant quantities of ash from the Long Valley Caldera (called the Bishop Tuff). The Bishop Tuff deposit in Clayton Valley (50 mi (80 km) to the south-east of Teels Marsh) is the Silver Peak mine's (owned by Albemarle Corporation) most prolific brine producing aquifer.

On August 23, 2017, the Company announced that it had signed a Memorandum of Understanding (MOU) with Geothermal Development Associates (GDA), Reno, Nevada. GDA is a geothermal development corporation with geothermal leases in the Teels Marsh valley that overlie Dajin's placer claims. GDA's principle line of business is the development of geothermal resources for electrical generation. As a result of this MOU, GDA and Dajin will share exploration data with the ultimate aim of supporting the development of a Lithium brine extraction facility as well as developing a geothermal plant for electrical generation and the production of direct-use thermal water. This agreement outlines a non-competitive relationship where both companies are focusing on their key strengths, while working together on their exploration program during development.

Dajin's President Brian Findlay remarked, "This relationship will provide Dajin preferential access to green renewable electrical power and thermal energy to power a potential future Lithium brine operation without competition over surface and water rights". GDA's President Martin Booth said, "We are pleased with this association with Dajin who understands and appreciates the significance of geothermal resources and how collaboration can help both companies move forward on their respective developments."

Key attractions of Dajin's Teels Marsh valley Lithium brine project include identified near-surface Lithium-bearing brines, been granted water rights and has minimal land fragmentation. The basin beneath the playa is up to 8,200 feet (2,500 metres) deep. Prior geothermal exploration results indicate favourable geochemistry and shallow sub-surface temperatures of up to 206°F (97°C) at 131 feet (40 meters) depth at the northwest end of the valley. In March, the Bureau of Land Management accepted Dajin's Notice to proceed with civil works and drilling as part of its exploration for Lithium brines.

On November 27, 2017, the Company announced that the Cooperativa San José had received the Lithium brine exploration permits for the 4,400 hectares (10,873 acres) San José and Navidad minas located in Salinas Grandes salar in Jujuy Province, Argentina. These minas are part of the more than 93,000 hectares (230,000 acres) land package that is included in the LSC Lithium Corporation (TSX-V: LSC) and Dajin earn-in agreement signed in October, 2016 with Dajin Resources S.A. LSC is the operator of the agreement.

The San José – Navidad property is located in the highly prospective Salinas Grandes salar, split between the provinces of Salta and Jujuy. LSC continues its program of engagement with local communities as well as consolidation of the land. LSC announced on November 23, 2017 the acquisition of another strategically located tenement, Mina Teresa (227-C-2004) in the Salinas Grandes salar, Jujuy Province. This acquisition along with the land of Dajin Resources S.A. gives LSC control of over 50% of the Jujuy Province portion of Salinas Grandes salar. The San José (57-C-2002) – Navidad (213-G-1995) minas have not been explored for Lithium bearing brines but past exploration by other companies in close proximity to the minas included brine sampling from 1 m deep pits. The seven closest samples, taken at distances of 0 to 200 meters from both the north and west sides of the mina, yielded Lithium concentrations that ranged from 279 mg/l to 987 mg/l, averaging 551 mg/l. Samples within 1 km of the property boundary contain up to 1,122 mg/l Lithium. The highest reported value from the Salinas Grandes salar exceeds 3,000 mg/l.

As at November 30, 2017, Dajin Resources S.A. still holds a 100% interest in an excess of 93,000 hectares (230,000 acres) of exploration or exploitation concessions covering the Company's Salinas Grandes/Guayatayoc Lithium, Boron and Potassium projects.

On December 19, 2017, the Company announced that following the completion of a recent financing where it raised a total of $1,281,150 thanks to the support of Dajin warrant holders, management is now moving forward with construction of roads and pads for drilling of their 100% owned Teels Marsh Lithium project in Mineral County, Nevada.

Earlier exploration work by Dajin has shown the Teels Marsh valley to be highly prospective for Lithium brines, and Dajin now has the funds to move the project forward. Director and COO, Dr. Catherine Hickson PGeo and fellow Director, Dr. Mark Coolbaugh CPG, were recently in Reno, Nevada meeting with contractors to prepare for the construction of roads and drill pads. This work will be overseen by Welsh Hagan Associates, Reno Nevada. Welsh Hagan is a full-service Mining, Civil and Environmental engineering firm and has been working with Dajin on the Teels Marsh valley project. Dajin has received all necessary permits for drilling from the Bureau of Land Management and holds 100% of the required water rights awarded by the Office of the State Engineer to move the project forward. Dajin plans to commence drilling as soon as the roads and pads are completed.

Dajin reported that exploration work by Dajin's partner, LSC Lithium Corporation ("LSC") in Salinas Grandes, Jujuy Province, is gaining momentum. The Cooperativa San José received an exploration permit in November for the exploration of the 4,400 hectare (10,873 acres) San José and Navidad minas. This exploration is commencing under the management of LSC, the operator of the earn-in agreement with Dajin. LSC is also verifying prior work completed on the Salinas Grandes salar by previous exploration companies and plans to release in early 2018 a National Instrument 43-101 report that will update the existing National Instrument 43-101 prepared by Orocobre Ltd. (August 12, 2013). The San José – Navidad minas have not yet been explored for Lithium but past exploration by other companies in close proximity to the property included sampling from one-meter-deep pits. Of the seven closest samples taken from the property boundary along both the north and west sides up to a distance of 200 meters, assays of Lithium brine concentrations ranged from 279 mg/l to 987 mg/l, averaging 551 mg/l. Lithium brine samples within one (1) km of the property boundary are reported to contain up to 1,122 mg/l Lithium. The highest reported Lithium value in the Salinas Grandes salar exceeds 3,000 mg/l.

On December 21, 2017, the Company reported that it had been assigned the European Union Legal Entity Identifier ("LEI") number 529900O4I6THAD6BOO65. Companies listed on the German Stock Exchange (ie. Frankfurt Stock Exchange) are required to have an LEI number. Dajin is listed and actively trades on one or more stock exchange or trading platform in Germany. The European Union has adopted regulations that require use of the LEI as a barcode equivalent aimed at pinpointing systemic risks.

On January 9, 2018, the Company reported receiving approval to be upgraded to the OTCQB Marketplace from the OTC Markets Group and will be quoted under the trading symbol DJIFF. Trading in Dajin's securities on the OTCQB market commenced on January 10, 2018.

On February 8, 2018, the Company announced that Mr. Rob Scargill, MAusIMM, Mining Engineer and a graduate of the University of Nottingham, England has joined Dajin's Technical Advisory Board. Dajin's management is excited to welcome Mr. Scargill as the Board believes his extensive experience and expertise will assist Dajin in moving its projects forward from the exploration stage to development.

Mr. Scargill has over 30 years experience in the mining sector in Australasia and the Americas including being involved in the start-up or restart of six producing mines. Until recently, Mr. Scargill worked eight years for Enirgi Group Corp. gaining significant experience with solution mining and salt crystallization processes as well as acquiring a broad knowledge of Lithium brine processing technologies.

His core skills include developing and implementing strategic plans, building value-adding relationships and creating organizational cultures to deliver successful outcomes. He has significant experience in running large and/or complex mine developments and operations as standalone business units.

On February 28, 2018, the Company reported that LSC Lithium Corporation ("LSC") has completed phase one surface exploration of the northwest portion of the San Jose/Navidad mina located on the Salinas Grandes salar in the province of Jujuy, Argentina. The mina forms part of a 93,000 hectare land package being earned by LSC. To fulfill the terms of the earn-in agreement LSC must complete $2,000,000 in expenditures to maintain a 51% interest in the property. LSC is the operator of the exploration project.

There were 25 shallow brine samples taken over an area of 550 hectares (5.5 km^2) in the northwestern corner of the 4,400 hectare (43 km^2) San Jose/Navidad mina. Lithium concentrations ranged from 281 mg/l to 1,353 mg/l, averaging 591 mg/l.

The 25 sample points were pre-planned on a 500 m east/west and north/south grid, utilizing the Company geographical information system and located in the field with a hand held GPS. At each sample site an auger drill was used to excavate an 8 inch diameter hole to a depth of 2 m. Thereafter a bailer was used to extract brine 0.5m to 1.0m below the phreatic level after the brine had been given time to settle over a 30 minute period. The bailed brine was then decanted into four sterilized plastic litre size bottles and sealed without any air being trapped in the bottle. There after the samples were delivered to the laboratory for analyses.

Additional exploration work on the San Jose/Navidad mina is planned for later this summer prior to commencing a drill program.

San Jose/Navidad Lithium Assay Results – February 2018

Hole	mg/l	Hole	mg/l	Hole	mg/l	Hole	mg/l	Hole	mg/l
1	**338**	6	**1353**	11	**549**	16	**619**	21	**404**
2	**435**	7	**767**	12	**858**	17	**822**	22	**1075**
3	**281**	8	**350**	13	**663**	18	**671**	23	**788**
4	**294**	9	**538**	14	**551**	19	**514**	24	**682**
5	**389**	10	**314**	15	**416**	20	**404**	25	**388**

Resource Properties

United States – Nevada Properties

Teels Marsh Project

The Company holds a 100% interest in 403 placer claims covering approximately 3,202 hectares (7,914 acres) in the Teels Marsh valley of Mineral County, Nevada.

During the year ended November 30, 2017, the Company was granted water rights at the Teels Marsh project. The Company believes that the granting to the Company of water rights is an important element of Lithium brine exploration, extraction and processing. Low cost and time proven traditional extraction methods require concentration of brines by evaporation in surface ponds. New technologies are being developed that use less water and can potentially return processed water to the reservoir. However, the Company wishes to maintain maximum flexibility in the adoption of any future process technology for the extraction of Lithium from brine at Teels Marsh, hence the granting to the Company of water rights is an important step forward in the Company's exploration and development plans.

During the year ended November 30, 2017, the Company received the permit (Notice NVN-94695) from the Bureau of Land Management to proceed with drilling and civil works at the Teels Marsh property. During the application process, several ancillary permits were acquired by the Company in order to proceed with its exploration drilling plans. The Company has temporary permits to change the point of diversion for each of the proposed wells under their base Water Right Permit #85204. The Company has also received a Special Use Permit from Mineral County for use of heavy equipment on county roads. An agreement to obtain a local source of gravel from private land within the basin has also been completed.

Alkali Lake Project

The Company holds a 100% interest in 191 placer claims and in January 2018 staked an additional 87 placer claims. These placer claims cover a total area of 2,262 hectares (5,591 acres) in the Alkali Lake valley of Esmeralda County, Nevada.

The Alkali Lake project is located approximately 11 km northeast of Albemarle's Silver Peak Lithium operation in Clayton Valley, the only producing brine-based Lithium mine in operation in North America. Like Clayton Valley, Alkali Lake is a classic, fault bounded closed basin.

During the year ended November 30, 2017, the Company incurred $32,226 in staking and filing fees related to both Nevada properties and a total of $546,588 in exploration costs.

The Company's interest in these placer claims is held in Dajin's wholly-owned US subsidiary, Dajin Resources (US) Corp.

Subsequent to November 30, 2017, the Company purchased a reclamation bond for the Teels Marsh work related to the preparation and drilling in the amount of $356,614 ($US288,341).

RESULTS OF OPERATIONS

Three months ended November 30, 2017

For the three months ended November 30, 2017, the Company incurred a net loss of $110,551 (2016: $456,694) a decrease of approximately $346,000. Total expenses for the three months ended November 30, 2017 were $209,167 as compared to $478,882 for the comparable period a decrease of approximately $270,000. The change is mainly due to decreases in share-based compensation, legal fees and investor relations.

Year ended November 30, 2017

For the year ended November 30, 2017, the Company incurred a net loss of $831,988 (2016: $1,435,586) a decrease of approximately $604,000. Total expenses for the year ended November 30, 2017 were $857,035 as compared to $1,367,677 for the comparable period a decrease of approximately $510,000. The change is mainly due to decreases in share-based compensation, and consulting fees which are offset by increases in foreign exchange, legal fees and travel expenses. The Company's directors along with consultants are actively involved with attempting to move the Company's resource projects forward and raise equity financing. The Company financed its operations through a private placement financing and the exercise of share purchase options and warrants.

Selected Annual Information

	2017	2016	2015
Total revenues	$ -	$ -	$ -
Net income (loss)	$ (831,988)	$ (1,435,586)	$ (1,351,757)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.02)
Total assets	$ 5,295,586	$ 4,696,873	$ 3,051,713
Total long-term liabilities	$ -	$ -	$ -
Cash dividends	$ -	$ -	$ -

The increase in total assets in 2016 was mainly attributable to the net proceeds received from the sale of a 51% interest in Dajin Resources S.A. (net proceeds $865,000) and the proceeds from share issuances.

Summary of Quarterly Results

FOR THE THREE MONTHS ENDED

	November 30, 2017	August 31, 2017	May 31, 2017	February 28, 2017
Total revenues	$ -	$ -	$ -	$ -
Net income (loss)	$ (110,551)	$ (209,630)	$ (283,293)	$ (228,514)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

FOR THE THREE MONTHS ENDED

	November 30, 2016	August 31, 2016	May 31, 2016	February 29, 2016
Total revenues	$ -	$ -	$ -	$ -
Net income (loss)	$ (456,694)	$ (392,012)	$ (523,677)	$ (63,203)
Basic and diluted loss per share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

There can be material fluctuations in quarterly results. The loss for the quarters ended November 30, 2017, August 31, 2017, May 31, 2017, February 28, 2017, November 30, 2016, August 31, 2016, May 31, 2016 and February 29, 2016 includes a share-based compensation charge of $Nil, $Nil, $ Nil, $Nil, $ 211,632, $235,242, $336,964, and $11,886 respectively due to the granting of share purchase options during these quarters.

LIQUIDITY AND CAPITAL RESOURCES

As of November 30, 2017, the Company had working capital of $1,437,393 as compared to working capital of $1,241,058 at November 30, 2016.

To date, the Company has been able to fund operations and property exploration and evaluation primarily through equity financings and short-term loans. The continued volatility in the financial equity markets may make it difficult to raise capital through the private placements of shares. The junior mining industry is considered speculative in nature which could make it even more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

During the year ended November 30, 2017, the Company issued 4,328,000 common shares pursuant to the exercise of share purchase options at prices ranging from $0.05 - $0.16 per share for total proceeds of $302,440.

During the year ended November 30, 2017, the Company issued 9,505,000 common shares pursuant to the exercise of share purchase warrants at a price of $0.13 per share for total proceeds of $1,235,650.

Subsequent to November 30, 2017:

- the Company issued 237,000 common shares pursuant to the exercise of share purchase options for total proceeds of $18,420.
- the Company granted 950,000 share purchase options, exercisable at $0.16 per share, and expiring on December 15, 2022.
- the Company issued 350,000 common shares pursuant to the exercise of share purchase warrants for total proceeds of $45,500. These warrants were deemed to have been exercised during the Early Exercise Period, and therefore the Company issued 175,000 warrants, exercisable at $0.17 per share, and expiring on November 30, 2018.

OFF-BALANCE SHEET ARRANGEMENTS

During the reporting period there were no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company incurred the following charges with directors and officers (Brian Findlay, Rachelle Findlay, Catherine Hickson and Mark Coolbaugh) of the Company and private companies controlled by the directors (Brian Findlay and Catherine Hickson):

	Relationship	2017	2016
Wages and benefits	An officer of the Company	$ 44,798	$ 43,200
Share-based compensation	An officer of the Company	-	17,451
		44,798	60,651
Key management compensation			
Administration fees	A private company controlled by a director (Brian Findlay)	84,000	84,000
Consulting fees – operating expenses	A private company controlled by a director (Catherine Hickson)	87,000	-
Consulting fees – resource property costs	A private company controlled by a director (Catherine Hickson)	43,649	75,000
Consulting fees – resource property costs	A director of the Company (Mark Coolbaugh)	73,035	107,762
Rent reimbursement	A private company controlled by a director (Brian Findlay)	52,947	37,811
Share-based compensation	Directors of the Company	-	446,935
		340,631	751,508
		$ 385,429	$ 812,159

These charges were measured by amounts agreed upon by the transacting parties.

Included in November 30, 2017 prepaid expenses are rent and expenses reimbursements of $9,822 (November 30, 2016: $4,412) to companies with common directors.

Due to related parties, representing amounts due to companies controlled by the directors and directors of the Company for unpaid consulting fees, administration fees, expense reimbursements and loan advances are non-interest bearing, unsecured and are due on demand.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements is included in the following notes:

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Exploration and evaluation expenditure

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

Impairment

At each reporting period, assets, specifically exploration & evaluation are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. The assessment of the carrying amount often requires estimates and assumptions such as discount rates, exchange rates, commodity prices, future capital requirements and future operating performance.

Going concern

The Company uses judgment in determining its ability to continue as a going concern in order to discharge its current liabilities via raising additional financing.

CHANGES IN ACCOUNTING POLICIES

The following new standard and interpretation is not yet effective and have not been applied in preparing these consolidated financial statements. The Company is currently evaluating the potential impacts of this new standard; however, the Company does not expect it to have a significant effect on its financial statements.

• IFRS 9, *Financial Instruments* (effective annual year ends commencing on or after January 1, 2018) introduces new requirements for the classification and measurement of financial assets and will replace IAS 39. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple classification options available in IAS 39.

FINANCIAL AND OTHER INSTRUMENTS

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's common shares are classified as equity instruments.

Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in other comprehensive income until the investment is derecognized or impaired at which time the amounts would be recorded in net earnings.

The Company classifies and measures its financial instruments as follows:

- Cash and cash equivalents, interest receivable and reclamation bonds are classified as loans and receivables. The fair value of cash approximates its carrying value due to its short-term nature.

- Marketable securities are classified as FVTPL.

- Accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities and are measured at fair value at inception. Their fair values approximate their carrying values due to their short-term nature.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) Credit risk

Credit risk is the risk of an unexpected loss if a party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at November 30, 2017 the Company is not exposed to any significant credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. At November 30, 2017, the Company had cash of $1,113,645 (November 30, 2016 - $1,400,647) and current liabilities of $123,653 (November 30, 2016 - $231,042). All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short term interest rates through the interest earned on cash balances. The Company has significant cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in short-term deposits with its banking institutions. The

Company monitors the investments it makes and is satisfied with the credit ratings of the banks with which they are held.

(d) Price risk

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the commodity prices of industrial minerals (Lithium, Boron and Potassium), and precious and base metals. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. Sensitivity to price risk relative to earnings is remote since the Company has not established any reserves or production. The Company is also exposed to the risk of equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company monitors commodity prices of industrial minerals, precious and base metals, individual equity movements, and the stock market in general to determine the appropriate course of action to be taken.

(e) Sensitivity Analysis

The Company has designated its cash and cash equivalents, interest receivable and reclamation bonds as loans and receivables and measures them at their amortized costs. Accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities, which are measured at their amortized costs.

Based on management's knowledge and experience of the financial markets, the Company believes the following is "reasonably possible" during the upcoming financial year:

(i) Commodity price risk could adversely affect the Company. In particular, the Company's future profitability and viability of development depends upon the world market price of precious metals. Precious metal prices have fluctuated significantly in recent years. There is no assurance that, even as commercial quantities of precious metals may be produced in the future, a profitable market will exist for them. As of November 30, 2017, the Company was not a precious metal producer. As a result, commodity price risk largely affects the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

(f) Foreign Currency Risk

Foreign currency exchange rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. The Company's operations are carried out in the Canada, United States and Argentina. As at November 30, 2017, the Company had accounts payable of $26,810 (November 30, 2016: $100,578) denominated in US dollars. These factors expose the Company to foreign currency exchange rate risk, which could have an adverse effect on the profitability of the Company. The Company currently does not plan to enter into foreign currency future contracts to mitigate this risk.

RISKS AND UNCERTAINTIES

The more significant risks and uncertainties not discussed elsewhere in this MD&A include:

Financing Risk

The Company will need to continue raising funds to finance its operations and exploration activities. There is no certainty that the Company will be able to raise money on acceptable terms or at all.

Exploration Risk

Exploration for mineral resources involves a high degree of risk. The cost of conducting exploration programs may be substantial and the likelihood of success is difficult to assess. Few explored properties are ultimately developed into producing mines. The Company attempts to mitigate its exploration risk by maintaining a diversified portfolio that includes several different exploration prospects in a number of favorable geologic environments.

Environmental Risk

The Company seeks to operate within environmental protection standards that meet or exceed existing requirements in the countries in which the Company operates. Present or future laws and regulations, however, may affect the Company's operations. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines. Programs may also be delayed or prohibited in some areas. Although minimal at this time, site restoration costs are a component of exploration expenditures.

OUTSTANDING SHARE DATA

As at March 29, 2018

Common Shares issued	149,505,508
Incentive stock options	9,382,000
Share purchase warrants	7,980,277

OTHER

Additional information and other publicly filed documents relating to the Company, including its press releases and quarterly and annual reports, are available on SEDAR and can be accessed at www.sedar.com.