

LABRADOR GOLD CORP.
Management's Discussion and Analysis ("MD&A")
For the Three and Six Months Ended March 31, 2018

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of May 24, 2018 and should be read in conjunction with the Company's condensed interim financial statements for the three and six months ended March 31, 2018 and the Company's audited consolidated financial statements and the notes thereto for the year ended September 30, 2017 ("fiscal 2017").

The financial information presented herein is expressed in Canadian dollars, except where noted.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

Overall Performance

Labrador Gold is a company involved in the acquisition and exploration of prospective gold projects in the Americas and is publicly traded on the TSX Venture Exchange ("TSX-V"). To date, the Company has not earned significant revenues and is in the exploration stage.

On September 5, 2017, the Company entered into an option agreement to earn a 100% interest on the Ashuanipi, Nain and Hopedale properties, located in the Canadian province of Newfoundland and Labrador (the "Labrador Properties"). In January 2018, the Company staked 468 additional claims contiguous to the northern Ashuanipi claims.

The Company also holds a 100% interest in the Borden Lake Extension Property (the "Borden Lake Property") located near Chapleau, Ontario, Canada.

In December 2017, the Company changed its name to Labrador Gold to reflect its corporate focus on gold exploration in Labrador and its commitment to the systematic exploration of the Labrador Properties for gold. The Company retained the services of Roger Moss, CEO of the Company, on a full-time basis to further this corporate objective.

At March 31, 2018, the Company had cash of \$1,525,227 (September 30, 2017: \$140,959) and a working capital deficiency of \$55,101 (September 30, 2017: working capital of \$1,631,328).

The Company does not anticipate generating significant revenues in the near future. As a result, the Company will be required to raise funds in order to finance its ongoing property evaluation program and general and administrative expenses, most likely to be accomplished through the sale of equity.

Results of Operations – Three Months Ended March 31, 2018

In the three months ended March 31, 2018 ("Q2-2018") Labrador Gold posted a net loss of \$88,790 or \$nil per share, compared to a net loss of \$123,404 (\$0.01 per share) in the three months ended March 31, 2017 ("Q2-2017").

The most significant expenses in Q2-2018 were consulting and management fees of \$27,000 (Q2-2017: \$3,112), regulatory and transfer agent fees of \$14,868 (Q2-2017: \$14,752) and professional fees of \$14,153 (Q2-2017: \$11,269). The increase in consulting and management fees resulted from the Company retaining Dr. Moss as President and CEO on a full-time basis effective January 1, 2018. Increased professional fees resulted from higher legal fees associated with the Company's ongoing activities and from an inflation-driven increase in audit fees.

Results of Operations - Six Months Ended March 31, 2018

In the six months ended March 31, 2018 ("YTD-2018") Labrador Gold posted a net loss of \$464,679 or \$0.01 per share, compared to a net loss of \$139,962 (\$0.01 per share) in the six months ended March 31, 2017 ("YTD-2017"). The \$324,717 increase in net loss in the comparative periods is explained fundamentally by an increase of \$218,278 in share-based compensation (a non-cash expense), an increase of \$39,070 in shareholder communications as a result of additional activities undertaken to present the Company's new projects to the investment community and an increase of \$29,863 in management and consulting fees from having retained Dr. Moss on a full-time basis as of January 2018.

Unproven Mineral Right Interests

	March 31, 2018	September 30, 2017
Labrador Properties		
Acquisition	539,202	-
Deferred exploration	1,583,162	-
	<u>2,122,364</u>	<u>-</u>
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	600,674	600,674
	<u>914,859</u>	<u>914,859</u>
	<u>3,037,223</u>	<u>914,859</u>

Labrador Properties

On September 5, 2017, the Company entered into an option agreement to earn a 100% interest on the Labrador Properties. The terms of the option are the following:

- On receipt of TSX-V approval: payment of \$75,000 and issuance of 450,000 shares in respect of each of the Ashuanipi, Nain and Hopedale properties (completed);
- On or before September 5, 2018: payment of \$100,000 and issuance of 300,000 Shares;
- On or before September 5, 2019: payment of \$150,000 and issuance of 350,000 Shares;
- On or before September 5, 2020: payment of \$175,000 and issuance of 400,000 shares;
- On or before September 5, 2021: payment of \$250,000 and issuance of 500,000 shares;

The vendors of the Labrador Properties retain a 2% NSR royalty, half of which may be bought back by Labrador Gold at any time for \$2 million plus \$1 per ounce of gold in measured and indicated resources. An advance royalty of \$25,000 per annum for each property will be payable starting in 2023.

During

In January 2018, the Company staked a total of 468 claims contiguous with the original northern Ashuanipi claims.

At March 31, 2018, the Company had incurred acquisition and exploration expenses of \$2,122,364 on the Labrador Properties.

Borden Lake Property

The Company has a 100% undivided interest in the Borden Lake Property located near Chapleau Ontario. The 1,598-hectare property lies immediately east of Goldcorp's Borden Lake gold project. The original vendors of the Borden Lake Property retain a 2% net smelter return ("NSR") royalty, half of which may be bought back by the Company for \$1 million at any time

The Company also entered into an option agreement to earn a 100% interest in six claims located to the south of the Property (the "Additional Claims"). The terms of the option were completed in the year ended September 30, 2017.

At March 31, 2018, the Company had incurred acquisition and exploration expenses of \$914,859 on the Borden Lake Property.

Ownership in mineral right interests involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the ambiguous conveyance history of many mineral right interests. The Company has investigated ownership of its mineral right interests and, to the best of its knowledge, ownership of its interests are in good standing.

Exploration Activity – Q2-2018

During Q2-2018, the Company received the results of exploration carried out on the Labrador Properties during the prior quarter. The exploration program consisted of sediment sampling, soil sampling and cursory prospecting on the Ashuanipi, Nain and Hopedale properties.

Results of the reconnaissance exploration program at Hopedale show gold anomalies in soils and lake sediments over a 3-kilometer section of the northern portion of the Florence Lake greenstone belt near the known Thurber Dog gold showings. Initial prospecting during the exploration program collected 35 rock samples with subsequent assays indicating a gold content up to 7.87 g/tonne (range <5ppb to 7.87g/tonne) in a composite grab sample from carbonatized ultramafic rock. Labrador Gold's data, combined with results of work during the 1980s and 1990s, show a trend of significant gold anomalies in rocks and soils stretching over the 3km strike length that encompasses the known Thurber Dog gold showings. In addition to the gold values found by Labrador Gold, highlights of historical data, summarized in the table below, include grades of 3.97 g/t Au in a 5m chip channel sample of a quartz carbonate vein with 4.1 g/t Au in a sample from the wall rock to the vein and 1.89 g/t Au in 6m chip channel sample through a quartz vein containing arsenopyrite. (See figures at <https://www.labradorgold.com/portfolio/hopedale>).

Highlights of Labrador Gold and historical assays of rock samples from the Florence Lake Greenstone Belt

Sample Number	Northing	Easting	Au (g/t)	Sample Description	Sample Type	Source
1583294	654642	6109972	5.83	Semi-massive arsenopyrite in quartz-carbonate vein with pyrite stringers near vein margin	Grab	A
1583297	654456	6109674	0.66	Talc-carbonate ultramafic schist with mm scale quartz-carbonate veinlets and 0.5 to 1% arsenopyrite	Grab	A
1583298	654642	6109972	7.87	Quartz-carbonate veins in mafic/ultramafic schist with 0.5% arsenopyrite and trace pyrite	Composite grab	A
1583300	654742	6111930	0.32	Magnesite altered ultramafic rock with minor fuchsite and 1% pyrite as disseminations and stringers	Grab	A
1583302	654457	6109594	0.47	Talc-carbonate ultramafic/mafic with mm scale quartz-carbonate veinlets and traces disseminated pyrite	Composite Grab	A
AD110	654829	6112204	1.80	Pink-red schistose to massive ultramafic, pyrite	Grab	B
AD121	654637	6109979	7.50	Arsenopyrite in quartz vein	Grab	B
AD128	654763	6111560	1.10	Oxidized siliceous zone with minor pyrite	Grab	B
AD134	654637	6109992	1.89	Arsenopyrite in quartz vein	6m chip channel	B
112916	654825	6112150	3.18	Semi-massive pyrite with arsenopyrite +/- covellite	Grab	C
112917	654840	6112200	2.94	Chloritic metavolcanic schist with quartz-carbonate veins containing semi-massive pyrite & arsenopyrite	Grab	C
112918	654840	6112250	2.66	Chloritic metavolcanic schist with quartz-carbonate veins and semi-massive pyrite & arsenopyrite	Grab	C
28761	654478	6109809	3.97	Quartz-carbonate vein in sheared, carbonatized mafic/ultramafic schist locally with arsenopyrite and minor pyrite/chalcopyrite (<5%)	5m chip channel	C
28766	654478	6109809	4.06	Wall rock sample from 28761 site; carbonatized mafic/ultramafic schist with 2% arsenopyrite	Grab	C
LB02692	654672	6112174	3.80	Rusty pyritized fault tectonized mafic, intensely carbonatized with up to 2% pyrite	Grab	D

Sources: A. Labrador Gold B. Cornerstone Ventures, 2004 C. Tapestry Ventures, 1997 D. Falconbridge, 1993.

Note: grab samples are selected samples and are not representative of the mineralization hosted on the property.

Gold is typically associated with quartz-carbonate veins in carbonatized ultramafic metavolcanic rocks accompanied by arsenopyrite and pyrite. Felsic metavolcanic rocks, commonly altered to quartz-sericite schist, occur adjacent to the ultramafic rocks also host gold mineralization in places.

Anomalous gold in soil samples also occur over approximately 40 kilometers along the southern section of the greenstone belt. (See figures at <https://www.labradorgold.com/portfolio/hopedale/>). Gold in the soil samples highlight geological contacts as zones of potential enrichment, since anomalies typically occur where the soil lines cross contacts between volcanic rocks and sedimentary rocks.

A total of 414 lake sediment samples were collected, representing a sample density of 0.83 samples per square kilometer. Analyses of the lake sediment samples showed gold values from 0.1 to 40 parts per billion (ppb). A total of 1,916 soil samples were also taken and analyses ranged from <0.5 to 938 ppb (0.93 g/tonne) gold with 5 samples containing more than 100 ppb Au.

Results of the program at the Ashuanipi project show district scale gold anomalies in soils and lake sediments over a 15-kilometre-long by 2 to 6-kilometer-wide north-south trend and over a 14-kilometer-long by 2 to 4-kilometer-wide east-west trend. The anomalies appear to be broadly associated with magnetic highs and do not show any correlation with specific rock types on a regional scale. This suggests a possible structural control on the localization of the gold anomalies.

A total of 753 lake sediment samples were collected, representing a sample density of more than one sample per square kilometer. Analyses of the lake sediment samples showed gold values from 0.1 to 202.5 parts per billion (ppb). A total of 4,798 soil samples were also taken and analyses ranged from 0.1 to 1,424 ppb (1.4 g/tonne) gold with 14 samples containing more than 100 ppb Au, and two samples containing more than 1 g/tonne Au.

During the sampling program, cursory prospecting was also carried out and 39 rock samples collected. Gold values ranged from <5 ppb to 2.5 g/tonne, with eight samples containing greater than 100 ppb.

During Q2-2018, the Company staked a total of 468 claims contiguous with the original northern Ashuanipi claims after receiving the results of the sampling. The new claims cover an area of 156 square kilometers of similar rock types and magnetic signatures as seen on the original Ashuanipi claim block. The Ashuanipi property now covers a total of 896 square kilometers.

Work during 2018 will follow up on the anomalies on both projects with detailed soil sampling and prospecting/ geological mapping and rock sampling. In addition, detailed mapping and sampling will be undertaken near the Thurbur Dog showings in the northern portion of the belt to prepare for a potential drill program in early fall.

The Ashuanipi gold project is located just 35km from the historical iron ore mining community of Schefferville, which is linked by rail to Quebec in the south. The Hopedale project covers most of the Florence Lake and Hunt River greenstone belts that stretch over 80km. The belt is typical of greenstone belts around the world but has been seriously underexplored by comparison. The eastern edge of the Hopedale project lies on tidewater at Ugioktok Bay.

Summary of Quarterly Results (IFRS)

	Qtr. ended	Qtr. ended	Qtr. ended	Qtr. ended
	31-Mar-18	Dec. 31, 2017	Sept. 30, 2017	June 30, 2017
Total revenues	\$-	\$-	\$-	\$-
Net loss	(88,790)	(375,889)	(7,074)	(8,830)
Loss per share	-	(0.01)	-	-
Diluted loss per share	-	(0.01)	-	-

	31-Mar-17	Dec. 31, 2016	Sept. 30, 2016	June 30, 2016
Total revenues	\$-	\$-	\$-	\$-
Net loss	(123,404)	(16,558)	(18,217)	(27,066)
Loss per share	(0.01)	-	-	-
Diluted loss per share	-0.01	-	-	-

Liquidity and Capital Resources

Labrador Gold is a development-stage company that currently does not generate significant revenues and does not anticipate doing so in the near future.

Labrador Gold held cash of \$1,525,227 at March 31, 2018, compared to \$140,959 at September 30, 2017.

The Company had a working capital deficiency of \$55,101 at March 31, 2018 compared to working capital of \$127,192 on September 30, 2017.

The Company is not subject to debt covenants.

Share Issuances

On December 23, 2016, the Company received gross proceeds of \$140,400 from the sale of 1,755,000 units priced at \$0.08 per unit. Each unit consisted of one share and one warrant exercisable into one additional share at a price of \$0.13 for a two-year period. A further \$96,150 was raised from the sale of 1,068,334 flow-through shares at a price of \$0.09 per share. Finders fees comprised of 155,400 shares of the Company were issued in connection with this private placement.

On February 2, 2017, the Company received gross proceeds of \$310,000 from the sale of 3,875,000 units priced at \$0.08 per unit. Each unit consisted of one share and one warrant exercisable into one additional share at a price of \$0.13 for a two-year period. Finders fees comprised of 271,250 shares of the Company were issued in connection with this private placement.

In fiscal 2017, the Company issued 600,000 shares valued at \$38,400 for the acquisition of unproven mineral right interests at the Borden Lake Property, received proceeds of \$3,875 from the exercise of 77,500 warrants and received proceeds of \$20,400 from the exercise of 340,000 options. The Company also reclassified \$12,598 of previously recorded share-based compensation payment reserve amounts with the exercise of these options and recorded a reduction to share capital of \$10,683 associated with the tax recovery booked in respect of flow-through financings undertaken in the year.

On November 22, 2017, the Company received gross proceeds of \$1,757,000 from the sale of 8,785,000 units priced at \$0.20 per unit. Each unit consisted of one share and one warrant exercisable into one additional share at a price of \$0.30 for a two-year period. A further \$20,000 was raised from the sale of 80,000 flow-through shares at a price of \$0.25 per share. Each unit consisted of one flow-through common share and one non-flow through warrant exercisable into one additional share at a price of \$0.35 for a two-year period. Finders fees comprised of \$39,120 in cash and 285,600 warrants of the Company were issued in connection with this private placement.

YTD-2018, the Company issued 1,350,000 shares valued at \$283,500 for the acquisition of unproven mineral right interests at the Labrador Properties and received proceeds of \$69,250 from the exercise of 485,000 warrants.

Transactions with Related Parties

As at March 31, 2018, the Company's related parties consist of a proprietorship controlled by the Company's Chief Executive Officer ("CEO") and a company controlled by the Company's Chief Financial Officer ("CFO").

	Nature of Transaction
Moss Explorations Services	Management
Delphis Financial Strategies Inc.	Management

The Company entered into the following transactions with related parties:

- i. YTD-2018 the Company incurred management and geological consulting fees of \$39,600 (YTD-2017: \$14,850).
- ii. YTD-2018, the Company incurred share-based compensation of \$294,730 (YTD-2017: \$69,531) which is the grant date fair value of options vested to directors and officers.

Amounts due to related parties are unsecured, non-interest bearing and due on demand.

These transactions occurred in the normal course of operations and were measured at fair value as determined by management.

Critical Accounting Estimates

The most significant estimates are related to the physical and economic lives of unproven mineral right interests, and their recoverability.

Subsequent Events

Subsequent to March 31, 2018, the Company:

- a) Entered into a shares for debt settlement with an arms' length party, in respect of exploration work provided to the Company on the Labrador Properties. Pursuant to the settlement, the Company issued an aggregate of 578,327 common shares at a price of \$0.30 per share, for a total amount of \$173,498.
- b) Received proceeds in the aggregate amount of \$202,750 in connection with the exercise of 1,365,000 Company warrants.

Other MD&A Requirements

As of May 24, 2017, the Company has outstanding a total of 38,867,552 shares, 3,030,000 options with a weighted average exercise price of \$0.15 per share and 14,780,600 warrants with a weighted average exercise price of \$0.23 per share. Additional information is available at the Company's website at www.labradorgold.com. To view the public documents of the Corporation, please visit the Corporation's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These statements speak only as of the date of this MD&A. These forward-looking statements include but are not limited to, statements concerning:

- our strategies and objectives;
- prices and price volatility for commodities and of materials we use in our operations;
- the demand for and supply of commodities and materials that we use and plan to produce and sell;
- our financial resources;
- interest and other expenses;
- domestic laws affecting our operations;
- our tax position and the tax rates applicable to us;
- decisions regarding the timing and costs of construction and production with respect to, and the issuance of, the necessary permits and other authorizations required for any proposed projects;
- our planned future production levels;
- potential impact of production and transportation disruptions;
- our planned capital expenditures and estimates of costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be or become involved;
- and

- general business and economic conditions.

Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, unanticipated metallurgical difficulties, delays associated with permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with our operations; risks of changes in laws affecting our operations or their interpretation; and risks associated with tax reassessments and legal proceedings.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest rates;
- changes in commodity prices;
- acts of government and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of commodities and products used in our operations;
- the timing of the receipt of permits and other regulatory and governmental approvals;
- changes in credit market conditions and conditions in financial markets generally;
- the availability of funding on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- engineering and construction timetables and capital costs for our projects;
- costs of closure of various operations;
- market competition;
- the accuracy of our mine plan estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which these are based;
- tax benefits and tax rates;
- the resolution of environmental and other proceedings or disputes; and
- our ability to obtain, comply with and renew permits in a timely manner.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. Except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.