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 February 26, 2018, and should be read in conjunction with the Company's condensed interim financial statements for the three months ended December 31, 2017 ("Q1-2018") 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 provinces of Newfoundland and Labrador (the "Labrador Properties").

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 has retained the services of Roger Moss, CEO of the Company, on a full-time basis to further this corporate objective.

At December 31, 2017, the Company had cash of $1,638,072 (September 30, 2017: $140,959) and working capital of $1,631,328 (September 30, 2017: working capital of $127,192).

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

In Q1-2018 Labrador Gold posted a net loss of $375,889 ($0.01 per share), compared to a net loss of $16,558 ($nil per share) in the quarter ended December 31, 2016 ("Q1-2017"). The increased loss is directly attributed to share-based compensation expense of $314,120 (Q1-2017: $3,062) in connection with options granted to directors, officers and consultants in Q1-2018. Excluding share-based compensation, the Company's net loss in Q1-2018 was $61,769 (Q1-2017: $13,496), also higher than in Q1-2017 as a result of higher legal fees and regulatory/transfer agent fees incurred in connection with a private placement completed in Q1-2018. The Company also incurred higher shareholder communication expenses in connection with rebranding to Labrador Gold, including a new website.

In Q1-2018, the Company's most significant expenses, other than share-based compensation, included regulatory and transfer agent fees of $16,595 (Q1-2017: $3,488), shareholder communications of $13,901 (Q1-2017: $1,206) and professional fees of $10,503 (Q1-2017: $980).

During Q1-2018 the Company incurred $508,500 in acquisition costs and $3,225 in deferred exploration expenses, capitalized as unproven mineral right interests, both associated with the Labrador Properties.

From time to time, the Company may acquire or dispose of mineral right interests pursuant to the terms of option agreements. Since options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded as assets but as resource property costs or recoveries when the payments are made or received

Unproven Mineral Right Interests

	December 31, 2017	September 30, 2017
Labrador Properties		
Acquisition	508,500	0
Deferred exploration	3,225	0
	511,725	0
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	600,674	600,674
	914,859	914,859
	1,426,584	914,859

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.

At December 31, 2017, the Company had incurred acquisition and exploration expenses of $511,725 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 September 30, 2017 and December 31, 2017, 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 – Q1-2018

During Q1-2018, the Company focused its work on the Labrador Properties, which were the subject of a Letter of Intent ("LOI") providing the Company with the option to acquire 100% of the 740 square kilometers ("km2") Ashuanipi property in northwest Labrador, as well as a right of first refusal for the Nain (503 km2) and Hopedale Greenstone (458 km2) properties in central Labrador. The Company exercised its right of first refusal to acquire the option on the Nain and Hopedale properties on November 23, 2017.

During Q1-2018, the Company undertook a first stage exploration program comprising lake sediment sampling, soil sampling and cursory prospecting on the three Labrador Properties.

Results of the reconnaissance exploration program at the Hopedale project 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 showing. In addition, anomalous gold in soil samples 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 highlighted 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. During the sampling program, cursory prospecting was also carried out and 45 rock samples collected with gold values ranging from <5 ppb to 7.8 g/tonne.

Results of the program at the Ashuanipi project show 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 - 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.

Subsequent to December 31, 2017, 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 with detailed soil sampling and prospecting/mapping along the length of the greenstone belt undertaken during spring/summer to generate targets for potential late summer drilling. In addition, detailed mapping and sampling will be undertaken near the Thurbur Dog showing in the northern portion of the belt.

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 claim blocks cover large lake sediment gold anomalies that, with the exception of local prospecting, have not seen a systematic modern-day exploration program. Recent regional geological mapping in the area by the Newfoundland and Labrador Geological Survey has highlighted the gold potential of the region and historical work 30km north on the Quebec side of the border led to gold intersections of up to 2.23 grams per tonne (g/t) Au over 19.55 meters (not true width). Gold in both areas appears to be associated with metamorphosed iron formation. The Geological Survey of Canada has completed an airborne magnetic survey over the region that covers 70% of the existing Ashuanipi claims that will assist in screening potential iron formation targets for follow up.

The Nain gold project comprises three claim blocks, two of which lie along the Nain-Churchill terrane boundary. One of the claim blocks, Sneegamook, has the largest and most intense gold in lake sediment anomalies in Labrador, but no known gold exploration has taken place in the area. The targets on the Nain project are orogenic gold mineralization, similar to that found in the Aucoin gold prospect to the north, which is also located at the terrane boundary.

The Hopedale greenstone properties cover much 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. Historical exploration resulted in a gold showing of up to 7.5 g/t Au (Source: Seymour and Moore, 2004, First Year Assessment Report on Licence 9376M Adlatok Property, Labrador), but no significant gold exploration has been undertaken since the discovery.

Summary of Quarterly Results (IFRS)

	Qtr. ended Dec. 31, 2017	Qtr. ended Sept. 30, 2017	Qtr. ended June 30, 2017	Qtr. ended March 31, 2017
Total revenues	$-	$-	$-	$-
Net loss	(375,889)	(7,074)	(8,830)	(123,404)
Loss per share	(0.01)	-	-	(0.01)
Diluted loss per share	(0.01)	-	-	(0.01)

	Qtr. ended Dec. 31, 2016	Qtr. ended Sept. 30, 2016	Qtr. ended June 30, 2016	Qtr. ended March 31, 2016
Total revenues	$-	$-	$-	$-
Net loss	(16,558)	(18,217)	(27,066)	(30,078)
Loss per share	-	-	-	-
Diluted loss per share	-	-	-	-

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 $1,638,072 at December 31, 2017, compared to $140,959 at September 30, 2017.

The Company had working capital of $1,631,328 on December 31, 2017 compared to $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.

In Q1-2018, 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 $56,250 from the exercise of 385,000 warrants.

Transactions with Related Parties

As at December 31, 2017, the Company’s related parties consist of a proprietorship controlled by the Company’s Chief Executive Officer (“CEO”), a company controlled by the Company’s Chief Financial Officer (“CFO”) and a company controlled by a former Company director.

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

The Company entered into the following transactions with related parties:

i. During Q1-2018, the Company incurred management and consulting fees of $3,000 (Q1-2017: $3,000) for accounting services provided by a company controlled by the Company’s CFO and $6,375 (Q1-2017: $2,400) for consulting fees for services provided by a proprietorship controlled by the Company’s CEO.

ii. During Q1-2018, the Company incurred geological consulting fees of $3,225 (Q1-2017: $3,600) for services provided by a proprietorship controlled by the Company’s CEO.

iii. Included in accounts payable and accrued liabilities as at December 31, 2017 is $5,915 (September 30, 2017: $4,213) owing to the Company’s CEO.

iv. 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.

Other MD&A Requirements

As of February 26, 2018, the Company has outstanding a total of 36,724,225 shares, 3,230,000 options with a weighted average price of $0.14 per share and 16,145,600 warrants with a weighted average exercise price of $0.23 per share. Additional information is available at the Company's website at www.labrador gold.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.