AURANIA

AURANIA RESOURCES LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Three and Six Months Ended June 30, 2018

(Expressed in Canadian Dollars unless otherwise indicated)

1 INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is a review by the management ("Management") of Aurania Resources Ltd. ("Aurania" or the "Company") of the financial condition and results of operations for the three and six months ended June 30, 2018 (the "Reporting Period"). This MD&A is prepared as at August 29, 2018, unless otherwise indicated, and should be read in conjunction with the financial statements for the three and six months ended June 30, 2018 ("Interim Financial Statements") and the annual financial statements for the year ended December 31, 2017 ("Annual Financial Statements") and the notes related thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monies are expressed in Canadian dollars unless otherwise indicated. Additional information relevant to the activities of the Company has been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") – http://www.sedar.com and are also available on the Company's website http://www.aurania.com.

2 CAUTIONARY NOTE

This MD&A contains "forward-looking information" under applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein constitutes forward-looking information, including any information as to the Company's strategy, plans or future financial or operating performance. Forward-looking statements are characterized by words such as "plan," "expect", "budget", "target", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions, assumptions and estimates of Management, considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the Company's expectations in connection with the exploration on its projects, potential development and expansion plans on the Company's projects, the impact of general business and economic conditions, global liquidity, inflation, inability to raise additional funds as may be required through debt or equity markets, fluctuating metal prices (such as gold, silver and copper), currency exchange rates (such as the Canadian Dollar ("$") and the Swiss Franc ("CHF") versus the United States Dollar ("USD")), changes in accounting policies, risks related to non-core asset disposition, risks related to acquisitions, changes in project parameters as plans continue to be refined, changes in exploration time-frames, the possibility of project cost-overruns or unanticipated costs and expenses, higher prices for fuel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, poor success of exploration programs, permitting timelines, government regulation and the risk of government expropriation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of labour disputes and/or shortages, as well as those risk factors discussed or referred to herein. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or Management's estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented to assisting investors in understanding the Company's expected financial and operational performance and results as at, and for the periods ended on, the dates presented in the Company's plans and objectives and may not be appropriate for other purposes.

3 HIGHLIGHTS

During the second quarter, 2018, the following were achieved:

- Completed a non-brokered private placement ("2018 Offering") for gross proceeds of $4,000,000 ($3,738,558 net);

- Received proceeds of $460,000 from the exercise of stock options and a further $1,591,608 from the exercise of warrants;
- Completed a USD2,000,000 convertible debenture financing, convertible into common shares at $3.00 per share; this allowed the Company to renew the full package of exploration concessions;
- The maturity date of the initial minerals concession loan was extended to May 29, 2019;
- Ended the quarter with available cash of $4,254,422;
- Reduced debt by $280,000 through the exercise of 700,000 stock options by the debt holder;
- Received Shareholders' approval for all items proposed at the Company's Annual and Special Meeting ("ASM") held on June 13, 2018;
- Expanded the Board at the ASM with the addition of Mr. Alfred Lenarciak;
- Commenced trading on the Frankfurt Exchange, symbol "20Q" and on the OTCQB Venture Market in the United States, symbol "AUIAF";
- Discovered an additional epithermal target, "Yawi", bringing to seven, the total number of gold-silver targets so far defined by the stream sediment sampling program;
- Continued follow-up geological and geochemical work, readying the Crunchy Hill target, for drilling in the fourth quarter;
- Completed stream silt sampling over 20% of the Lost Cities – Cutucu project (the "Project") area, and accelerated the pace of sampling by increasing the number of crews from four to seven.

4 DISCUSSION AND ANALYSIS

This report is dated August 29, 2018.

4.1 BACKGROUND

4.1.1 The Company

Aurania Resources Ltd. was incorporated under the laws of Bermuda on September 26, 2007 pursuant to the provisions of *The Companies Act 1981* (Bermuda). On February 18, 2011, the Corporation registered extra-provincially in the Province of Ontario, Canada.

4.1.2 Directors, Officers and Management

Keith Barron – Chief Executive Officer, Chairman of the Board of Directors ("Board") and Director
Elaine Ellingham – Independent Director
Gerald Harper – Independent Director
Marvin Kaiser – Independent Director
Alfred Lenarciak – Independent Director
Donna McLean – Chief Financial Officer and Corporate Secretary
Jean Paul Pallier – Vice President - Exploration ("VPX")
Richard Spencer – President and Director

4.1.3 Corporate Office

Suite 1050, 36 Toronto St.
Toronto, Ontario Canada M5C 2C5
Tel: (416) 367-3200
Email: info@aurania.com; Website: http://www.aurania.com

4.1.4 Registered Office

31 Victoria Street, Hamilton, HM 10, Bermuda.

4.1.5 Exchange Listings

The Company's common shares ("Common Shares") are traded on the TSX Venture Exchange ("TSX-V") under the symbol "ARU". The Company's shares started trading on the Frankfurt Exchange, symbol "20Q" on May 17, 2018 and on the OTCQB Venture Market in the United States on May 25, 2018, under the symbol "AUIAF". The OTCQB trading market is recognized by the U.S. Securities and Exchange Commission ("SEC") as an established public market.

4.1.6 Nature of Operations and Company Focus

Aurania is a junior mining exploration company engaged in the identification, evaluation, acquisition, and exploration of mineral property interests, with a focus on precious metals and copper.

4.2 OVERALL PERFORMANCE – Financial position, results of operations and cash flows

4.2.1 Financial Position

At June 30, 2018, the Company had available cash of $4,254,422 (December 31, 2017 - $671,346). The increase to cash resulted from the $4,000,000 2018 Offering and the exercise of warrants and stock options.

For the six months ended June 30, 2018, the principal increases to the statement of financial position are:

- Prepaid expenses and receivables are higher than those of the same period at December 31, 2017 ($72,661 vs. $64,882) primarily due to the annual TSX-V and SEDAR costs being higher by $6,604 due to the increased capitalization as a result of the 2017 Offering.

- Property, plant & equipment increased from $52,573 to $108,529 primarily due to:
    - $2,953 was spent on field and safety equipment for the exploration crews and $56,060 was spent on a hand-held XRF analyzer; and
    - $6,061 was used to acquire additional computers, software and security equipment for the Macas office and the Corporate Social Responsibility ("CSR") team. Accounts payable and other liabilities are short-term and non-interest bearing.

- Total liabilities for the reporting period increased from $1,737,956 to $4,445,978 as a result of:
    - The issuance of a USD2,000,000 convertible debenture (the "Debenture") to the Lender to pay the 2018 exploration concession fees for the Project (**See 3.7 Liquidity and Capital Resources and 3.9 Equity**). The Lender reduced the principal owing on the 2017 Promissory Note by $280,000 as debt settlement to be applied to pay for the exercise of 700,000 stock options (**See 3.9 Equity**); and
    - $167,205 has been included in accounts payable and accrued liabilities for broker fees owing for the 2018 Offering

Share capital increased by $6,389,007 with the issuance of 4,302,186 common shares for the exercise of stock options, warrants and Agents' Compensation Options (**See 3.9 Equity**).

For the six months ended June 30, 2018, the Company incurred losses of $6,009,429 (2017 - $6,136,610). The accumulated deficit increased from $16,059,021 in 2017 to $22,068,450 in 2018. The primary contributors to the increased deficit included: $2,562,482 for the 2018 mineral concession fees and $65,628 other costs related to the concessions, $1,399,162 exploration costs of the Project, $794,752 stock-based compensation expense and $120,357 of foreign exchange loss and loss on derivative attributable to the Debenture. As the Company has no source of ongoing revenues, this trend will likely continue (**See 3.7 Liquidity and Capital Resources**).

4.2.2 Operating Expenses

For the six months ended June 30, 2018, (the "Reporting Period"), cash and accrued expenses increased significantly year-over-year as a result of the Company's activity escalating from "care-and-maintenance" to that of a fully-operational exploration entity.

For the 2018 Reporting Period (versus the same period in 2017) the Company incurred operating expenses of $5,836,685 (2017 -$740,990). The main components of these expenditures are as follows:

- Exploration expenditures of $4,028,067 (2017 -$195,897) (**See 3.5.1 Operations – Ecuador**);
- A stock-based compensation expense of $794,752 (2017 – $151,088):
    - $269,689 was the assigned fair value for 250,000 stock options granted in March 2018;
    - $271,873 was the assigned fair value for 300,000 stock options granted in April 2018;
    - $181,516 was the additional fair value assigned for the residual expense of vesting options granted in 2016 and 2017; and

- $71,674 was added for the Reporting Period fair value expense for the Restricted Stock Units ("RSUs") granted in 2017;

- Investor relations $396,139 (2017 - $81,786): Expanded marketing efforts with an increased focus on social media and domestic and international presentations to potential investors all resulted in higher expenditures in this area. $45,000 was expended for booth rental, materials and travel and accommodation costs associated with the Company's exhibiting at investment conferences in Toronto, Hong Kong and Vancouver;
- Office and general $244,468 (2017 - $95,958): Increased office and general costs of approximately $30,000 per month resulted from added service costs, including service costs for financial and administrative consulting fees (**see 3.16 Commitments and Contingencies),** equipping and maintaining offices in Quito and Macas, Ecuador, and increased rent and other costs associated with moving the Toronto office to a larger rental space;
- Management fees of $216,440 (2017 - $125,892): Management fees increased by $65,173 with the addition of compensation/benefits expense for the Country Manager (Ecuador), and a 25% increase in the compensation of the CFO from $60,000 to $75,000 per annum. Additionally, 30% of the President's compensation is allocated as an operating expense, whereas only one month's salary was included for the same period in 2017 as the President did not join the Company until late in Q2 2017. (Note: 70% of the President's Reporting Period compensation has been charged to exploration);
- Professional and administrative fees $95,601 (2017 - $37,303); these fees include legal and accounting fees and the new monthly Services costs (**See 3.16 Commitments and Contingencies**);
- Regulatory and transfer agent fees $52,100 (2017 - $52,929) were similar year-over-year; these amounts including ongoing monthly costs for transfer agency fees and monthly sustaining fees for the TSX-V, SEDAR filing fees and corporate public costs in Bermuda. In both years approximately $10,000 was spent for legal fees, transfer fees and costs related to holding an ASM;
- Directors fees of $15,000 (2017 – $15,000) have remained the same since 2013. Advisor fees of $1,250 were paid to an independent advisor to the Board from March 2 to June 13, 2018 (**See 3.10 Key Management Expense**); and
- Amortization of $9,118 has been recorded for the period based on the straight-line method on leasehold improvements and office and field equipment.

4.2.3 Cash Flows

For the six months ended June 30, 2018, the Company's net cash position increased by $3,583,076. The increase was principally due to the closing of Tranche 1 of the 2018 Offering, the exercise of stock options, warrants and Agents' options and a financing pursuant to the Debenture (**See 3.7 Liquidity and Capital Resources**). For the same period in the prior year, Management relied on shareholder loans from the Lender to meet the financial obligations of the Company.

Cash Flow Activities	**Six months ended June 30, 2018**	Six months ended June 30, 2017
Operating	**$(4,804,138)**	$(596,314)
Financing	**8,452,286**	4,649,040
Investing	**(65,074)**	(724,684)
Increase in cash during the period	**$3,583,076**	$3,328,042

4.2.3.1 Operating Activities

Operational activities generated a cash outflow of $4,804,136, the main components of which were:

- Payment of the 2018 mineral concession fee of $2,562,482 and other related costs of $65,628; and
- $1,399,162 of exploration expenses.

These outflows were offset by non-cash add-backs of:

- $91,425 of foreign exchange, accrued interest of $24,863 and Debenture accretion of $32,755.
- $9,118 of depreciation expense (charged on field equipment, computer hardware, office furnishings and leasehold improvements);
- $794,752 of stock-based compensation; and
- $223,626 of movements within the accounts payable and accrued liabilities and prepaid expenses and receivables accounts also contributed to the net use of funds in the operating activities.

In the prior year, the main components that generated a net outflow of cash were the Acquisition of ESA and fees and costs of the 2017 Offering.

4.2.3.2 Investing Activity

Investing activity generated a use of funds of $65,074. Assets purchased during the period included $56,060 for a portable XRF analyzer and $9,014 for computer and security equipment for the exploration and CSR teams in the Macas field office.

During the six months ended June 30, 2017, the Company recorded an outflow of cash related to costs related to the Acquisition of ESA and cash advances to ESA of $20,915. Minimal operating activities used $92,179 of cash which was financed by $98,272 of short-term advances provided by the Lender.

4.3 SELECTED PERIOD FINANCIAL RESULTS

FINANCIAL POSITION As at	**June 30, 2018**	December 31, 2017
Cash	**$4,254,422**	$671,346
Total assets	**4,435,612**	$788,801
Total liabilities	**4,445,978**	$1,737,956
Shareholders' equity (deficiency)	**(10,366)**	$(949,155)
Deficit	**(22,068,450)**	$(16,059,021)
STATEMENTS OF LOSS	**Three months ended June 30, 2018**	Three months ended June 30, 2017
Exploration expenses	**$860,751**	$129,393
Compensation - Stock-based compensation, management, directors' and advisor fees	**589,140**	220,074
Corporate overhead expense	**397,350**	333,393
Total expenses before other items	**$1,847,061**	$553,467
Other income/expenses:		
Costs associated with acquisition of ESA	**-**	5,511,183
(Gain) loss on foreign exchange and derivative	**54,712**	(117,466)
Interest (income)	**(681)**	-
Interest expense	**47,716**	2,422
Loss for the period	**$1,948,898**	$5,949,606

STATEMENTS OF LOSS	**Six months ended June 30, 2018**	Six months ended June 30, 2017
Exploration expenses	**$4,028,067**	$195,897
Compensation - Stock-based expense, management, directors' and advisor fees	**1,011,192**	276,980
Corporate overhead expense	**797,446**	268,113
Total expenses before other items	**$5,836,705**	$740,990
Other income/expenses:		
Costs associated with acquisition of ESA	**-**	5,511,183
(Gain) loss on foreign exchange and derivative	**120,357**	(117,985)
Interest income	**(1,729)**	-
Interest expense	**54,096**	2,422
Loss for the period	**$6,009,429**	$6,136,610

4.4 PROJECTS REVIEW

4.4.1 Operations - Ecuador

4.4.1.1 Land tenure & permits

Titles to the 42 mineral concessions that constitute the 207,764 hectare ("Ha") Lost Cities – Cutucu Project area in Ecuador, were granted on December 27 and 28, 2016, and are valid for 25 years, renewable for a subsequent 25 years, provided that the concessions are maintained in good standing. The key requirements for maintaining the good standing of concessions have been met as follows:

- Concession fees of USD2,004,923 (USD9.65/Ha) for the current year were paid by March 31, 2018; and
- The annual exploration expenditure commitment for 2017 has been met and exceeded with the airborne geophysics survey that was completed over the Project and environs, as well as field work undertaken.

The size of the concession area constituting the Project may be reduced at the Company's discretion based on exploration results. The high annual concession fees provide a strong incentive to reduce the size of the Project area. The national concession application process was closed in December 2017 and is expected to re-open in the second half of 2018. The closure of the concession application process was for government administrative purposes. Consequently, no new concessions may be added to the Project area at this time.

4.4.1.2 Regulatory Changes in Ecuador

There have been some recent changes to the regulatory and fiscal regime in relation to mineral concessions in Ecuador, including:

- The Ministry of Mines has been incorporated as a Vice-ministry, along with the Vice-ministries of Electricity and Oil and Gas, in the Ministry of Non-Renewable Resources led my Minister Perez;
- Mr. Henry Troya was named the Vice-Minister of Mines;
- Minister of Foreign Trade and Commerce, Mr. Campana, proposed an initiative to attract investment for a copper smelter near the city of Guayaquil;

- Legislation was enacted for scout drilling to be conducted during the initial phase of exploration. All drilling had previously required a change in status of a concession to "Advanced Exploration", which involves additional submissions to the authorities; and
- A Presidential decree expected in late Q3 is expected to:
    - Abolish the "Windfall Tax" that was enacted in 2009;
    - Reduce capital gains taxes related to the sale of mining properties; and
    - Provide more flexibility in the negotiation of the net smelter royalty that is due to the government on large mining projects. Under current legislation, royalties start at 5% on large-scale mining projects and the new legislation proposes that the lowest royalty rate be reduced to 3%.

4.4.1.3 Exploration Program

4.4.1.3.1 Reconnaissance Exploration

Four geologist-led field teams, plus an additional three led by in-house trained technicians, are focused on stream sediment sampling of the Project. Approximately 20% of the Project area has been covered by the stream sediment sampling program which has resulted in the definition of multiple targets as discussed below.

The exploration approach is that the stream sediment sampling teams will be followed by a team that refines and develops the targets and readies them for scout drilling. Once the scout drilling starts, it is anticipated that a man-portable diamond drill will be moved from one target to the next, behind the stream sediment sampling and target development teams.

Seven discrete epithermal targets for gold-silver mineralization have been identified through the stream sediment sampling program. Six of these are located within an area of approximately 100 square kilometres and are jointly termed the Latorre District. Of these, the Crunchy Hill target, is the most advanced.

4.4.1.3.2 Follow-up Exploration

Three teams, led by more experienced geologists, are undertaking the more advanced exploration of the defined target areas.

4.4.1.3.2.1 Crunchy Hill (initially named Latorre B)

A soil grid has been cut over the vuggy silica ridge and environs, and initial soil sampling was done at a spacing of 100m x 25m over the central area, extending to 200m x 50m over peripheral areas. The analytical data from the soil program show pathfinder elements such as silver, molybdenum, antimony, mercury and lead enriched in long, narrow corridors that are interpreted as veins within a broader area of elevated arsenic.

4.4.1.3.2.2 Latorre A

Soil sampling is being done along the crest of ridges in the Latorre A area to refine the location of areas of metal enrichment detected in the stream sediment sampling program.

Follow-up exploration is underway in the other target areas within the Latorre District.

4.4.1.4 Corporate Social Responsibility

The Company's CSR team, under the guidance of Toronto-based O-Trade, has developed a complete stakeholder engagement plan for the entire Project area. This engagement recognizes and honours human and indigenous rights. Formal access agreements have been established with each community in which exploration has been, or is being, undertaken in the Project area. Improved access for the Company's exploration teams has benefitted five communities directly and nine indirectly. Over 500 families have benefitted from training on basic sanitation and water purification methods. Over 300 part-time work opportunities have been created by the exploration teams and 21 local suppliers have been engaged to provide consumables and transport as well as other services.

4.4.1.5 Lost Cities – Cutucu Project Exploration Expenditures

During the six months ended June 2018, the Company expended $1,399,162 for field-related exploration, as follows:

- $91,424 for field office costs (includes portion of Toronto costs);
- $401,076 for project management fees (100% VPX, senior geologists and 70% President);
- $218,803 for salaries and consulting fees for the exploration teams;
- $72,858 in field expenses and equipment;
- $207,468 for in-country and international travel for members of the exploration team;
- $255,287 for consulting fees, field costs and travel and accommodation of the CSR team;
- $135,499 for geochemical analysis and assay; and
- $16,747 for geophysics consulting fees.

A total of $nil (2017 - $52,973) is shown separately on the statement of loss for a project evaluation expense which included technical project evaluation fees in the prior year.

During the three months ended June 2018, the Company expended $787,129 in for field-related exploration, as follows:

- $30,338 for field office costs (includes smaller portion of Toronto costs);
- $310,922 for project management fees (100% VPX, senior geologists and 70% President);
- $71,194 for salaries and consulting fees for the exploration teams;
- $26,585 in field expenses and equipment;
- $116,395 for in-country and international travel for members of the exploration team;
- $126,156 for consulting fees, field costs and travel and accommodation of the CSR team;
- $97,970 for geochemical analysis and assay; and
- $7,563 for geophysics consulting fees.

During Q2, overall field-related expenses were higher ($787,129 vs $612,033) due to the training and mobilizing of three technicians, an environmental specialist being hired and higher assay costs due to the large number of soil samples being submitted to the lab.

4.4.1.6 Lost Cities – Cutucu Project G&A Expenditures

During the six months ended June 30, 2018 the Company spent $98,730 (2017 - $nil) for salaries and benefits for administration teams in the Quito and Macas offices. Ongoing rent, supplies, utilities, telecommunication and internet costs are approximately $10,077 per month for the Quito office. These costs are allocated in the Interim Financial Statements on the statement of loss in office and general and professional and administration fees.

4.4.2 Operations - SWITZERLAND

The Company, through its wholly-owned subsidiary AVS, has been maintaining a 100% interest in three exploration permits (the "Permits") in Switzerland, in the Canton of Valais (the "Canton") subject to a 3% gross value royalty payable to the Canton and a 0.75% gross value royalty payable to the surface rights holders.

4.4.2.1 Permit Status

In 2015, the Company made formal application to obtain new five-year Permits and were advised that the Canton Authority (the "Ministry") intended to revise the Swiss Mining Law prior to issuing new permits. The applications were deemed legally "frozen", therefore Management believes all rights, title and interest under the Permits, have been preserved. To June 30, 2018, Management is unaware of any change in the status of the Permits.

4.4.2.2 Exploration Expenditures

During the three months ended March 31, 2018, there were $nil (2017 - $13,531) expenses charged to exploration for technical consulting fees, permit maintenance and intercompany and property costs.

4.5 SUMMARY OF QUARTERLY RESULTS

Quarters Ended	Net revenue ($)	Net Loss ($)	Loss per Share ($)
June 30, 2018	-	1,948,898	0.07
March 31, 2018	-	4,060,534	0.15
December 31, 2017	-	1,690,093	0.06
September 30, 2017	-	1,418,620	0.05
June 30, 2017	-	5,949,606	0.24
March 31, 2017	-	187,005	0.01
December 31, 2016	-	163,073	0.01
September 30, 2016	-	185,481	0.01

4.6 LIQUIDITY AND CAPITAL RESOURCES

The Company considers the capital that it manages to include share capital, share premium, warrants, contributed surplus and deficit, which at June 30, 2018 was $(10,366) (December 31, 2017 - $(949,155). The Company manages and makes adjustments to its capital structure based on the funds needed in order to support the acquisition, exploration and development of mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the six months ended June 30, 2018.

The Company's continued existence is dependent upon Management's ability to obtain the necessary financing to advance exploration on its Project.

4.6.1 Cash and Debenture Loan

Financing activities in the six months ended June 30, 2018 generated a cash inflow of $8,452,286 from:

- Tranche 1 of the 2018 Offering yielded net proceeds of $3,738,558 to treasury. Gross proceeds from the non-brokered private placement were $4,000,000 from the issuance of 2,000,000 units ("Units") at $2.00 per Unit. Each Unit consisted of one common share of the Corporation and a half warrant, each full warrant being valid for 18 months from the date of closing at a strike price of $3.00. Tranche 1 of the 2018 Offering closed on June 29, 2018;
- 1,030,000 stock options were exercised for proceeds of $460,000;
- a total of 700,000 stock options were exercised for consideration of $280,000 and the proceeds used to reduce the debt (see below);
- 530,536 warrants from the 2017 Offering were exercised for proceeds of $1,591,608;
- One of the agents who participated in the 2017 Offering exercised 41,650 Agents' Compensation Options. A payment of $2.00 per option ($83,300 in total) resulted in the issuance of 41,650 common shares and 20,825 warrants to the exercising agent. The warrants have the same terms as the 2017 Offering warrants including an expiry date of October 19, 2018; and
- $2,631,579 was generated pursuant to the Debenture financing.

During the six months ended June 30, 2017, the Company raised net cash of $5,848,082 from the 2018 Offering which was reduced by a prepayment of the 2017 Promissory Note of $1,407,014.

4.6.2 Indebtedness

4.6.2.1 Promissory Note - Mineral Concessions Loan ("MCL1")

On March 20, 2017, Dr. Barron, Chief Executive Officer, Chairman and Director (the "Lender") loaned the Company USD2,000,000 to pay the annual concession fees for the Lost Cities-Cutucu Project in Ecuador. This first unsecured, promissory note loan ("Mineral Concessions Loan" or "MCL1") is interest-bearing at 2% per annum and was due May 29, 2018. On May 28, 2018, Dr. Barron agreed to extend the MCL1 to May 29, 2019.

The Company has partially repaid MCL1 as follows:

- USD1,000,000 ($1,351,180) on May 29, 2017 from the proceeds of the 2017 Offering; and
- $280,000 from the exercise of stock options. On April 2, 2018 Dr. Barron settled $280,000 of MCL1 in consideration of exercising his 700,000 Aurania stock options, at $0.40 per option. Accordingly, the Company issued 700,000 common shares to Dr. Barron in exchange for reducing the principal owing on MCL1 by USD217,168 ($280,000).

At June 30, 2018, the accrued interest owing on MCL1 is $26,434 (December 31, 2017 - $15,100).

On August 16, 2018 the Company made a prepayment against MCL1 of USD383,060 ($500,000), as permitted (see Subsequent Events).

For the six months ended JUNE 30,	**2018**
Balance, beginning of period	**$1,273,000**
MCL1	-
Accrued interest	11,334
Settlement of debt	(280,000)
Foreign exchange translation loss	51,391
Balance, end of period	**$1,055,725**

4.6.2.2 Promissory Note - Other

In the six months ended June 30, 2017, the Company relied on advances from the Lender in the amount of $207,972 which were fully repaid on May 29, 2017, as part of the settlement of $750,000 of cumulative promissory note advances, which was satisfied with the issuance of 375,000 shares of the Company in 2017.

4.6.2.3 Convertible Debenture (“MCL2”)

Although the initial exploration program had anticipated releasing some of the mineral concessions by the end of March 2018, based on the positive exploration results obtained to date on the Company's Project in Ecuador, Management determined that the full package of mineral concessions warranted renewal.

On May 22, 2018 the Company issued a US$2,000,000 face value Convertible Debenture, due May 29, 2019 for net proceeds of CAD$2,631,579. The Debenture accrues interest at 2% per annum, payable in cash at maturity. However, the principal amount may be converted at the option of the holder at any time during the term to maturity into a fixed number of 877,193 shares of our common stock, subject to adjustment solely for capital reorganization events. The Debenture also embodies certain traditional default provisions that are linked to credit or interest risks, such as bankruptcy proceedings, liquidation events and corporate existence. We have concluded that the embedded conversion option did not pass the conditions for equity classification. Therefore, the embedded conversion option is subject to classification in our financial statements in liabilities at fair value both at inception and subsequently pursuant to IAS 32 and IAS 39.

Accounting for the Convertible Debenture

We have evaluated the terms and conditions of the secured convertible notes under the guidance of IAS 32 and IAS 39. Because the face value of the note is denominated in other than the Company’s functional currency, the conversion feature requires classification and measurement as a derivative financial instrument. Accordingly, our evaluation resulted in the conclusion that this derivative financial instrument requires bifurcation and liability classification, at fair value. Current standards contemplate that the classification of financial instruments requires evaluation at each report date.

The following table reflects the allocation of the proceeds on the financing date:

Secured Convertible Notes	Debenture: US$2,000,000 Face Value
Proceeds	$(2,631,579)
Embedded derivative	426,827
Carrying value at inception	$2,204,752

The carrying value of the convertible debenture at December 31, 2017 was $nil and the carrying value at June 30, 2018 was $2,237,507 and accrued interest from inception to June 30, 2018 was $5,624.

Discounts (premiums) on the convertible notes arise from (i) the allocation of basis to other instruments issued in the transaction, (ii) fees paid directly to the creditor and (iii) initial recognition at fair value, which is lower than face value. Discounts (premiums) are amortized through charges (credits) to interest expense over the term of the debt agreement. Amortization of debt discounts (premiums) amounted to ($32,755) during the period from inception to June 30, 2018.

At June 30, 2018, the accrued interest owing on MCL2 is $4,383 (December 31, 2017 - $nil).

Derivative Liabilities

The carrying value of the Embedded Derivative Liability is on the balance sheet, with changes in the carrying value being recorded as Derivative (Gain) Loss on the income statement. The fair value of the embedded derivative liability as of June 30, 2018 was $455,759 and the Derivative Loss for the period from inception to June 30, 2018 was $28,932.

4.6.3 Funding Outlook

As the Company has no steady source of revenues or cash flow, periodic financings are required to advance exploration at the Project, to meet ongoing obligations and discharge the Company's liabilities in the normal course of business. As anticipated, the majority of the 2017 Offering financing has been spent on Project acquisition, training and mobilizing the exploration teams, implementing a CSR program and establishing bases of operation, commencing exploration as well as conducting the heliborne geophysics survey over the Project area and environs. The 2018 Offering has been earmarked for continuing the reconnaissance exploration program and follow-up exploration to prepare targets for scout drilling planned to commence in the Q4 of 2018, as well as for working capital purposes. Management is considering different sources of potential funding to undertake this next phase of exploration, a significant component of which will be for scout drilling of multiple targets. Sources of funding may include equity issuances, short-term loans and the exercise of warrants and stock options.

4.7 FINANCIAL MANAGEMENT RISK

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate, and commodity price risk). Risk management is carried out by Management with guidance from the Audit Committee under policies approved by the Board. The Board also provides regular guidance for overall risk management. There have been no significant changes in the risks, objectives, policies and procedures during the reporting period.

4.7.1 Credit Risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations. The Company has no significant concentration of credit risk arising from its operations. Cash is held at select Canadian, Swiss and Ecuadorian financial institutions, from which Management believes the risk of loss to be low. The Company does not have any material risk exposure to any single debtor or group of debtors.

4.7.2 Liquidity Risk

Liquidity risk arises through an excess of financial obligations over financial assets at any point in time. The Company's approach to managing liquidity risk is to maintain sufficient readily available cash to continue operations and meet its financial obligations as they become due **(See 3.7 Liquidity and Capital Resources**).

As at June 30, 2018, the Company has $4,254,422 in cash to settle $4,445,978 of liabilities. The liquidity risk at June 30, 2018, is therefore material.

4.7.3 Market risk

Market risk is the risk related to changes in the market prices, such as fluctuations in foreign exchange rates and interest rates that will affect the Company's net earnings or the value of its financial instruments.

4.7.4 Interest rate risk

Cash balances are deposited in highly-accessible and low-interest bank accounts that are used for short-term working capital requirements. The Company regularly monitors compliance to its cash management policy.

4.7.5 Foreign currency risk

Certain of the Company's expenses are incurred in USD and CHF and are therefore subject to gains or losses due to fluctuations in these currencies relative the Canadian Dollar, in which currency funds are raised through equity placements. Management believes that the foreign exchange risk derived from currency conversions is best served by not hedging its foreign exchange risk. At June 30, 2018 and December 31, 2017, the Company's exposure to foreign currency risk with respect to amounts denominated in USD and CHF was substantially as follows:

In Canadian $ equivalents	**June 30, 2018**	December 31, 2017
Cash	**$574**	$8,393
Accounts payable, accrued liabilities, promissory notes and convertible debenture	**(3,913,002)**	(1,391,262)
Net exposure	**$(3,912,428)**	$(1,382,869)

4.7.6 Commodity price risk

Commodity price risk is defined as the potential adverse future impact on earnings and economic value due to commodity price movements and volatility. The ability of the Company to develop its mineral properties and the future profitability of the Company is directly related to the market price of gold, silver, copper and other commodities.

Commodity prices have fluctuated significantly in recent years. There is no assurance that these metals will be produced in the future or that a profitable market will exist for them. As of June 30, 2018 and December 31, 2017, the Company was not a metals commodity producer.

4.7.7 Sensitivity analysis

As of June 30, 2018, and December 31, 2017, both the carrying and fair value amounts of the Company's financial instruments (except for the Debenture) are approximately equivalent due to their short-term nature.

Based on Management's knowledge and experience of the financial markets, the Company believes that a 10% strengthening of the Canadian dollar against the USD and the CHF at June 30, 2018 would have increased the net asset position of the Company by $391,243 (December 31, 2017 – $138,287). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

4.8 EQUITY

4.8.1 Share Capital

Activity during the six months ended June 30, 2018 included:

	# Shares	Par Value	Share Premium
Balance – December 31, 2017	**27,385,625**	**$273**	**13,019,518**
Shares issued for private placement	2,000,000	20	3,738,558
Shares issued for exercise of options	1,730,000	16	1,272,050
Shares issued for exercise of warrants	530,536	5	1,840,380
Shares issued for exercise of agents' options	41,650	1	121,829
FV of warrants issued	-	-	(583,810)
Balance – June 30, 2018	**31,687,811**	**$315**	**$19,408,525**

4.8.2 Stock Options

In March and April 2018, the Company granted a total of 550,000 stock options to directors and consultants to purchase 550,000 common shares, at prices between $2.68 to $2.89 per share**.**

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
30,000	30,000	$2.00	May 3, 2019	25,793
415,000	276,666	$0.60	July 13, 2021	218,238
150,000	50,000	$2.30	May 26, 2022	194,868
370,000	123,333	$2.00	November 2, 2022	345,419
250,000	83,250	$2.89	March 2, 2023	269,689
300,000	100,000	$2.68	April 5, 2023	271,823
1,515,000	**663,249**			**$1,325,830**

Stock option activity during the six months ended June 30, 2018 included:

	Number of Options	Weighted Average Exercise Price	Estimated Fair Value
Balance - December 31, 2017	**2,695,000**	**$0.44**	**$1,134,838**
Issued	250,000	$2.89	269,689
Issued	300,000	$2.68	271,873
Exercised	(1,700,000)	$(0.40)	(506,294)
Exercised	(30,000)	$(2.00)	(25,793)
Stock-based compensation expense	-	-	181,517
Balance – June 30, 2018	**1,515,000**	**$1.93**	**$1,325,830**

4.8.3. Restricted Stock Units

The following summarizes the RSU activity during the six months ended June 30, 2018:

	Number of RSUs	Weighted Average Fair Value	Estimated Fair Value
Balance – December 31, 2016	**-**	**$-**	**$-**
Awarded November 2, 2017	124,500	$0.19	23,363
Balance – December 31, 2017	**124,500**	**$0.19**	**$23,363**
Stock-based compensation expense	-	0.57	71,674
Balance – June 30, 2018	**124,500**	**$0.76**	**$95,037**

The weighted average contractual life remaining for RSUs at June 30, 2018 is 2.34 (December 31, 2017 – 2.84) years. The RSUs were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

4.8.4 Warrants

The following summarizes the warrants and Agents' Options activity and outstanding warrants and Agents' Options for the three months ended March 31, 2018:

	Number of Warrants/ Agents' Options	Weighted Average Exercise Price	Estimated Fair Value
Balance – December 31, 2017	**1,744,645**	**$2.92**	**$883,874**
Exercised	(530,536)	$(3.00)	(248,777)
Exercised	(41,650)	$(2.00)	(38,530)
Issued upon exercise of agents' options (1)	20,825	$3.00	15,000
Issued (2)	1,000,000	$3.00	525,000
Issued (2)	79,350	$3.00	43,810
Balance – June 30, 2018	**2,272,634**	**$2.95**	**$1,180,377**

(1) The warrants and agents' options expire October 19, 2018.
(2) The warrants and agents' options expire December 29, 2019.

4.9 KEY MANAGEMENT EXPENSE

In accordance with IAS 24, key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and nonexecutive) of the Company.

The remuneration of Key Management and directors of the Company was:

For the six months ended JUNE 30,	2018	2017
Management fees (1)	**$135,618**	$70,000
Director and advisor fees (2)	**30,527**	33,375
Stock-based compensation (3)	**663,546**	151,088
Total key management compensation expense	**$829,691**	$254,463

(1) 2018 - This includes 100% CFO fees, Toronto, 100% salary/benefits of the Country Manager, Ecuador, and 30% of the President's compensation. The remaining 70% of the President's compensation and 100% of the compensation paid to the VPX has been charged to exploration. In 2017, this is 100% CFO fees, and 100% of the President's compensation, for one month.

(2) Directors' compensation is $60,000 per annum or $15,000 per quarter. From March 2, 2018 to June 13, 2018, Mr. Alfred Lenarciak served as a financial advisor to the Company, at a compensation rate equal to that of a Director. Mr. Lenarciak joined the Board of Directors on June 13, 2018 after being elected a Director at the Company's Annual and General Meeting, and his advisory position was terminated. **See 3.18 Commitments and Contingencies**.

(3) This amount is the fair value expense of vested stock options and RSUs granted to key Management during the six months ended June 30, 2018.

4.10 RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. The Company entered into the following transactions with related parties in the three months ended March 31, 2018: (See **3.18 Commitments and Contingencies**).

(a) A total of $75,000 (2017 - $15,000), plus applicable taxes was charged to the Company by a management company controlled the President, on account of management consulting fees (the "Fees"). Included in accounts payable and accrued liabilities at June 30, 2018 is $14,125 (December 31, 2017 - $21,573) owed to the President's company, for unpaid consulting fees. These amounts are unsecured, non-interest bearing and due on demand.

(b) A total of $30,000 (2017 - $55,000), plus applicable taxes was charged to the Company by a management company controlled by the Chief Financial Officer ("CFO"), on account of accounting consulting fees. Included in accounts payable and accrued liabilities at June 30, 2018 is $14,125 (December 31, 2017 - $nil) owed to the CFO's company, for unpaid consulting fees. These amounts are unsecured, non-interest bearing and due on demand.

(c) During the six months ended June 30, 2018, the Company incurred $255,000 of service costs provided by a company controlled by a director/principal shareholder of the Company ("New ServiceCo") for certain services including office space, investor relations and marketing, administrative and IT services (the "Services"). These costs were allocated in the financial statements as follows: $108,000 to office and general (including rent and administrative), $42,000 for investor relations, marketing and IT and $105,000 was charged to exploration expenses – office. Included in accounts payable and accrued liabilities at June 30, 2018 is $95,381 (December 31, 2017 - $55,162) owed to New ServiceCo, for unpaid services. These amounts are unsecured, non-interest bearing and due on demand. **- See 3.18 Commitments and Contingencies.**

4.11 OFF-BALANCE SHEET TRANSACTIONS

There are no other transactions contemplated at this time.

4.12 PROPOSED TRANSACTIONS

The Company has no proposed transaction to acquire any additional assets or to dispose of any asset of the Company. However, from time to time, and like other junior mineral exploration enterprises, the Company may acquire or dispose of property assets as determined by Management based on exploration results, opportunities, the competitive nature of the business, and venture-capital availability.

4.13 CRITICAL ACCOUNTING ESTIMATES

The Company prepares its interim financial statements in accordance with IFRS. Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(i) the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;

(ii) the inputs used in accounting for stock-based compensation expense in the condensed consolidated interim statement of loss;

(iii) the $nil provision for decommissioning and restoration obligations which are included in the condensed consolidated interim statement of financial position; and

(iv) the existence and estimated amount of contingencies **(See 3.18 Commitments and Contingencies).**

(v) the valuation of the acquisition of ESA.

4.14 ESTMA REPORTING

The *Extractive Sector Transparency Measures Act* (the Act) was enacted on December 16, 2014, and brought into force on June 1, 2015. The Act delivers on Canada's international commitments to contribute to global efforts to increase transparency and deter corruption in the extractive sector by requiring extractive entities active in Canada to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad. Reports are made annually within 150 days after year end. Therefore, the F2017 ESTMA report included the USD2,004,923 ($2,535,880) for mineral concession fees that were paid to the Ministry of Mines in Ecuador.

4.15 CHANGES IN ACCOUNTING POLICIES AND FINANCIAL INSTRUMENTS

4.15.1 Changes in Accounting Policies

During the six months ended June 30, 2018, the Company adopted the following policy:

Compound financial instruments

The components of compound financial instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. The conversion feature of the convertible debentures issued does not meet the criteria for equity classification and accordingly, is accounted for as an embedded derivative liability. The derivative liability is calculated first, and the residual value is assigned to the debt component.

Subsequent to initial recognition, the embedded derivative component is re-measured at fair value at each reporting period with the changes in fair value recognized in operations. Subsequent to initial recognition, the liability component is accounted for at amortized cost using the effective interest rate method until the instrument is converted or the instrument matures. The liability component accretes up to the principal balance at maturity. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

The Company also adopted other new IFRS standards, interpretations, amendments and improvements of existing standards including IFRS 9 and IFRIC 22, however these new standards and changes did not have any material impact on the Company's condensed consolidated interim financial statements.

4.15.2 Financial Instruments

IFRS requires that the Company disclose information about the fair value of its financial assets and liabilities. The Carrying amounts of cash equivalents, receivables, trade and other accounts payable and promissory note on the statements of financial position approximate fair value because of the limited term of these instruments.

Fair value estimates are made by the Company at the date of the statement of financial position based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision.

The Company does not have any derivative financial instruments. All financial instruments are initially recorded at fair value and designated upon inception into one of the following four categories: held-to-maturity, available-for-sale, loans and receivables or fair value through profit or loss.

4.16 RISKS AND UNCERTAINTIES

Although Management attempts to mitigate risks associated with exploration and mining and minimize their effect on the Company's financial performance, there is no guarantee that the Company will be profitable in the future and the Company's Common Shares should be considered speculative.

4.16.1 Exploration, Development and Operating Risk

Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation, may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to the hazards and risks normally associated with mineral exploration and the development of deposits, many of which could result in work stoppages, damage to property, and possible environmental damage. Mining involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. None of the properties in which Aurania has an interest has a defined orebody and there is no assurance that any of Aurania's mineral exploration and development activities will result in the discovery of a commercially viable mineral deposit. Exploring in a foreign jurisdiction subjects the Company to additional risks including potential political change, changes in law or policies, inability to obtain permits or delays in obtaining them, limitations on foreign ownership and other risks not specified here. Foreign currency fluctuations may also adversely affect the Company's financial position and operating results.

4.16.2 Ability of Community Stakeholders to Impede Project Success

The Company recognizes that it is crucial that it engages with key constituency groups to mitigate the social and business risk associated with exploration on properties owned by non-shareholding stakeholders. The Company has implemented a comprehensive CSR program as a fundamental component of its activities in the Project.

4.16.3 Corporate Social Responsibility

The Company has engaged a professional CSR company to assist in the development and implementation of a CSR strategic framework that allows for collaboration with key stakeholders in a non-confrontational and respectful manner.

4.16.4 Property Title

Property title may be jeopardized by unregistered prior agreements or by the Company not fully complying with regulatory requirements.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee that challenges to the titles may not emerge.

4.16.5 Environmental Matters

The Company's exploration activities are subject to various federal, cantonal, provincial and international laws and regulations governing the protection of the environment. The Company believes that its operations are materially in compliance with all applicable laws and regulations. However, the Company has engaged, and is reliant upon, an environment specialist consultant to keep the Company informed and compliant with respect to environmental rules and regulations.

4.16.6 Foreign Country Risk

The property interests are located outside of Canada and are subject to the investment risk associated with foreign jurisdictions, including increases in taxes and royalties, renegotiation of permits and currency exchange fluctuations.

The Company mitigates foreign country risk by keeping apprised of Ecuador's economic and political climate and by relying on certain advisors, including technical and financial consultants, to inform Management of any proposed change to the laws and regulations that could significantly impact the Company's ability to operate or impact the financial results of the Company.

4.16.7 Capital and Financial Management Risk

See Financial Management Risk.

1.18 COMMITMENTS AND CONTINGENCIES

4.16.8 Environmental Contingencies

The Company's exploration activities are subject to various federal, provincial, municipal and international laws and regulations governing the protection of the environment. The Company conducts its operations so as to protect public health and the environment and believes that its operations are materially in compliance with all applicable laws and regulations.

4.16.9 Service Costs and Consulting Agreements

Commencing October 1, 2017, the Company entered into a formal agreement with New ServiceCo to provide the Services at a monthly cost of $42,500. These costs will be allocated as follows: $7,000 for investor relations and marketing, $18,000 for general and office (including rent) and the remaining $17,500 for costs directly related to the Project. Termination of the agreement can be effected with 90 days' notice by either party.

The President provides management services to the Company through a personal management company pursuant to a one-year, renewable consulting agreement. The President's annual compensation is $150,000. Should the Company effect early termination of the agreement, a three-month notice period is required and Dr. Spencer would be entitled to an additional lump-sum cash payment equal to six months of monthly retainer fee. Should Dr. Spencer's agreement be terminated due to a change of control, additional compensation would be payable to a maximum of two years' retainer fees and any unvested options would vest immediately.

The Company's CFO provides financial/accounting and corporate secretarial services to the Company pursuant to an annual, renewable consulting agreement, also through a personal management company. The CFO's annual compensation is $75,000. Early termination of the agreement requires 90 days' written notice by either party.

The Company's VPX provides geological/technical consulting services to the Company, through ESA, pursuant to a consulting agreement. The VPX's annual compensation is USD124,188 plus benefits. Should the Company terminate his contract without cause or if he is constructively dismissed, on or before January 1, 2021, he is entitled to receive six months' salary plus an additional 25% of his monthly salary for each year or fraction of a year, worked for ESA. If early termination occurs after this date, he will receive 125% of one-month's salary for each year or fraction of a year worked for ESA.

Since mid-year 2017, the Company has run a CSR program under the guidance of a Toronto consulting firm, in tandem with the Project exploration program. Compensation for services provided by the consultants is stipulated at $1,000 per diem for up to 10 days per month ("the base services"). Any additional services to be performed over and above the base services must be pre-approved in writing. Either party may terminate the CSR Contract with 30 days' written notice.

On March 2, 2018, the Company appointed Mr. Alfred Lenarciak as an independent special financial advisor to the Board. His compensation was $15,000 per annum and the Board granted to him, 150,000 five-year stock options, with an exercise price of $2.89. At the ASM held June 13, 2018, Mr. Lenarciak joined the Board of Directors. Upon becoming a director, Mr. Lenarciak's advisory engagement was terminated.

4.17 SUBSEQUENT EVENTS

4.17.1 Promissory note – MCL1

On August 16, 2018 the Company repaid USD383,060 ($500,000) of MCL1, as permitted under the terms of the loan.

4.17.2 Standby Letter of Credit

The Company has established a refundable reserve in the principal amount of $255,000 as a requirement of the payment clearing processor responsible for transmitting funds received by credit card subscriptions in respect of the 2018 Offering. The reserve is invested in an interest-bearing guaranteed investment certificate issued by a Canadian Chartered Bank. The reserve is required to be in place until December 18, 2019.

4.18 QUALIFIED PERSON

The foregoing and technical information contained has been prepared or reviewed by Jean Paul Pallier, VPX, who is registered as a EurGeol with the European Federation of Geologists and is a "Qualified Person" for the purpose of National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

4.19 SHARE DATA

As at	Common Shares(1)	Warrants	Agents' Options and Warrants	Stock Options	RSUs4)	Fully Diluted
December 31, 2016	22,759,735	-	-	2,165,000	-	24,924,735
December 31, 2017	27,385,625	1,600,445	144,200	2,695,000	124,500	32,021,870
August 27, 2018	31,687,811(1)	2,272,634(1)	102,5501) (3)	1,515,000(1) (2)	124,500	35,882,495

(1) A total of 4,302,186 common shares have been issued since year-end in relation to the issuance of 2,000,000 Offering Units and 41,650 Agents' Compensation Units, and the exercise of 2,260,536 warrants and stock options.

(2) A total of 550,000 stock options were granted between March 2 and April 5, 2018. They are five-year options that vest over two years and the exercise price range is $2.68 to $2.89.

(3) Each agent compensation option entitles the holder to purchase an Agent Unit comprised of one common share and one-half purchase warrant. Therefore, the purchase of the Agent Units and subsequent exercise of the Agents' Warrants resulted in the issuance of 41,650 common shares and 20,825 warrants.