



# NOBLE MINERAL EXPLORATION INC..

Management's Discussion and Analysis  
For the Nine Months Ended: May 31, 2018  
Dated: July 30, 2018

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## NOBLE MINERAL EXPLORATION INC.

### MANAGEMENT DISCUSSION & ANALYSIS

May 31, 2018

*This Management's Discussion and Analysis ("MD&A") of Noble Mineral Exploration Inc. ("Noble" or "the Company") is dated July 30, 2018 and provides an analysis of the Company's performance and financial condition for the nine months ended May 31, 2018, as well as an analysis of future prospects. The Board of Directors carries out its responsibility for review of this disclosure principally through its audit committee, comprised of a majority of independent directors. The audit committee reviews this disclosure and recommends its approval by the Board of Directors.*

*This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the nine months ended May 31, 2018, and the Company's audited consolidated financial statements for the year ended August 31, 2017, including the related note disclosure. All amounts are in Canadian dollars unless otherwise specified. The financial statements and additional information, including the Company's Certifications of Annual and Interim Filings and press releases, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com) or the Company's website at [www.noblemineralexploration.com](http://www.noblemineralexploration.com).*

*This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below under "Risk Factors". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.*

## OVERVIEW

### Principal Business and Corporate History

The principal business of Noble is mineral exploration and evaluation. The Company's name was changed from Hawk Precious Minerals Inc. to Hawk Uranium Inc. on March 28, 2007. On June 28, 2007, the Company's common shares began trading on the TSX Venture Exchange as a Tier 2 Mining Issuer under the symbol "HUI". The Company's shares ceased trading on the CNQ on July 11, 2007. The Company's name was changed from Hawk Uranium Inc. to Ring of Fire Resources Inc. on July 28, 2010 and the Company's common shares traded on the TSX Venture Exchange as a Tier 2 Mining Issuer under the symbol "ROF". The Company's name was changed from Ring of Fire Resources Inc. to Noble Mineral Exploration Inc. on March 2, 2012 and the Company's common shares began trading on the TSX Venture Exchange as a Tier 2 Mining Issuer under the symbol "NOB" on March 7, 2012.

To date, the Company has not earned revenue from its mineral and evaluation assets.

### Corporate Updates

On September 7, 2017, the Company closed a private placement, raising approximately \$373,000 of additional funding, raised through the issuance of 6,216,666 additional common share units, and approximately \$750,000 of additional funding was raised for exploration expenditures through the issuance of 10,000,000 flow-through units. \$89,800 was paid by the Company as a cash commission, as well as 413,333 broker warrants exercisable for common share units at \$0.06 per unit, and 1,000,000 broker warrants exercisable for common share units at \$0.075 per unit. All broker warrants are exercisable for 5 years.

Each common share unit in this Private Placement (or upon exercise of broker warrants) is comprised of one common share and one warrant exercisable at \$0.10 per common share for 5

years. Each flow-through unit is comprised of one flow-through common share and one warrant exercisable at \$0.10 per common share for 5 years.

On October 2, 2017, the Company announced it had signed a binding Letter of Intent (LOI) with Peat Resources Ltd ("Peat") with the right to earn up to a 75 percent interest in specific target areas located in the part of Project 81 lying within Dargavel Township, Ontario.

The letter of intent with Peat proposes that Peat can earn an initial 51% interest in the subject Dargavel property by making a cash payment of \$100,000, issuing 7,500,000 common shares, issuing 7,500,000 warrants exercisable at \$0.10 per share or such lower exercise price as may be permitted by the TSX-V and having a term expiring five (5) years after issuance, and incurring a minimum of \$1,000,000 of qualifying expenditures in the twelve months following the execution of the option agreement.

Peat can earn an additional 24% interest in the subject Dargavel property by issuing 7,500,000 common shares to the Company, issuing 7,500,000 warrants to Noble exercisable at the greater of \$0.15 per share or such lower exercise price as may be permitted by the TSX-V and having a term expiring five (5) years after issuance, and incurring a further \$1,000,000 of qualifying expenditures on or before the second anniversary of the execution of the option agreement. The transactions described in Noble's letter of intent with Peat Resources Ltd. are subject to due diligence, to the negotiation and execution of definitive agreements and to the approval of the TSX Venture Exchange.

On October 17, 2017, the Company announced that it had entered into an agreement with Ontario's Ministry of Northern Development and Mines (the "MNDM") to settle a disagreement regarding the payment of arrears for mining land taxes and accrued interest on Noble's Project 81. This Agreement is discussed in greater detail in this report under "Results of Operations - Provision for mining land taxes".

On October 20, 2017, the Company granted 1,700,000 options to purchase common shares of the Company to officers, directors, service providers and consultants. Each option is exercisable at a price of \$0.125 for a three year term. 1,500,000 of the options were granted to directors and officers of the Company and vest immediately. A fair value of \$244,970 was assigned to these options, estimated using the Black-Scholes valuation model with the following weighted average assumptions: dividend yield 0%, share price of \$0.15 expected volatility 232.06 a risk-free rate of return 1.53% and expected life of 3 years. All stock options granted vested upon grant, except the 200,000 options granted to the Company's investor relations provider which vest 25% per quarter.

On or about October 20, 2017, the Company adopted of a Supplement Equity Incentive Plan (the "Supplemental EIP").

The Board of Directors and approved the plan and reserved 8,707,010 common shares as the maximum number of common shares that may be issued under the Supplemental EIP. However, the number of shares reserved for options under the Option Plan and the number of shares reserved for other forms of equity based incentive compensation under the Supplemental EIP cannot exceed 10% of the Company's issued and outstanding common shares. The Supplemental EIP was approved at the annual shareholder meeting on February 28, 2018 (the "Meeting").

When the Supplemental EIP was approved by the Board of Directors on October 20, 2017, the Board also provisionally granted a total of 3,800,000 restricted share units ("RSU") under the Supplemental EIP, all to directors or certain officers of the Company or to the entities through which directors or certain officers provide their services to the Company. The grant of these RSUs was subject to the Supplemental EIP being approved by the shareholders of the Company. Therefore, when the Supplemental EIP was approved by shareholders, the grant of RSUs was implemented.

The RSUs vest as to 1/3 one month after the Meeting, a second 1/3 six months thereafter and the final 1/3 on the thirteenth month after the Meeting. As restricted share units vest, the Company

will have the option of issuing to the unit-holders an amount of common shares equal to the number of vested units, a cash payment equal to the market value of those shares, or some combination of cash and shares.

The Company has accounted for these RSUs as a compound instrument as they include an equity portion and a cash settled liability portion, although the amount attributed to equity is \$nil as the full value RSUs may be redeemed for cash or for shares upon vesting. The Company recorded \$241,435 and \$250,465, respectively (three and nine months ended May 31, 2017 - \$nil) of stock based compensation expense during the three and nine months ended May 31, 2018.

On November 29, 2017, the Company announced it had completed a non-brokered private placement of 5,484,091 common share units at \$0.11 per unit. The aggregate gross proceeds raised in this private placement amount to \$603,250. No finder's fee was paid in connection with the Private Placement. Each common share unit issued in this private placement consisted of one common share of the Company and one common share purchase warrant. Each such common share purchase warrant is exercisable for one common share of the Company at \$0.15 per share for a period of three years. These warrants are also subject to an acceleration clause allowing the Company to accelerate their expiry if the closing price of the Company's common shares is equal to or greater than \$0.30 per common share for a period of ten consecutive trading days.

On December 22, 2017, the Company closed a private placement of 620,000 flow-through shares at \$0.17 per unit. The aggregate gross proceeds raised in this private placement amounted to \$105,400. Finders' fees and cash costs of issue amounted to \$31,281.

On May 4, 2018, the Company signed an Option and Joint Venture Agreement ("Agreement") with Spruce Ridge Resources Ltd ("Spruce Ridge") to earn up to a 75 percent interest in specific target areas in the part of Project 81 lying within Crawford Township, Ontario.

Pursuant to the Agreement, Spruce Ridge can earn an initial 51% interest in the subject Crawford property by making (i) a cash payment of \$50,000 (received) within fifteen (15) days of obtaining TSXV approval, and (ii) a second cash payment of \$50,000 not later than six (6) months after the date of the first payment of \$50,000.

Spruce Ridge also issued 3,000,000 Class A common shares (received and ascribed a fair value of \$90,000) within five (5) days of obtaining TSXV approval and will issue an additional 3,000,000 common shares not later than one (1) year after the date of the first issue of common shares.

Spruce Ridge also issued 5,000,000 exercisable warrants (received and ascribed a fair value of \$148,000) within five (5) days of obtaining TSXV approval with each such warrant being exercisable at the lowest exercise price as may be permitted by the TSXV and having a term expiring five (5) years after issuance, and will issue an additional 5,000,000 exercisable warrants not later than one (1) year after the date for the first issue of warrants with each such warrant being exercisable at the lowest exercise price as may be permitted by the TSXV and having a term expiring five (5) years after issuance.

Spruce Ridge will incur minimum of \$300,000 of expenditures in the first year following the Effective Date and an additional \$700,000 within eighteen (18) months following the Effective Date.

Spruce Ridge can earn an additional 24% undivided interest in the Crawford property by issuing 2,000,000 common shares to Noble, and by incurring a further \$1,000,000 of qualifying expenditures on or before the third anniversary of the execution of the Agreement.

Once 75% is earned (or 51% should Spruce Ridge elect not to acquire a 75% interest), the Crawford property will be operated as a participating Joint Venture.

### Adoption of International Financial Reporting Standards ("IFRS")

The following standards were adopted during the period:

- (i) IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017. The standard was adopted September 1, 2017, resulting in no changes to the Company's condensed interim consolidated financial statements.

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company:

- (i) IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB and will replace IAS 39 – Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The standard was adopted December 1, 2017, resulting in no changes to the Company's condensed interim consolidated financial statements.
- (ii) In January 2016, the IASB issued IFRS 16, Leases ("IFRS 16"). IFRS 16 is effective for periods beginning on or after January 1, 2019, with early adoption permitted. IFRS 16 eliminates the current dual model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Instead, there is a single, on-balance sheet accounting model that is similar to current finance lease accounting.

There are no other relevant IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

### EXPLORATION AND EVALUATION ASSETS

The Company's major exploration and evaluation asset is Project 81. Unless the Company acquires or develops additional material properties, the Company will be mainly dependent upon these properties. If no additional major mineral properties are acquired by the Company, any adverse development affecting this property would have a material adverse effect on the Company's financial condition and results of its operations.

#### Project 81

The largest portion of the Company's Project 81 is comprised of a 100% interest in patented properties that are located in 16 townships in the Timmins, Iroquois Falls and Smooth Rock Falls area of Northern Ontario. The patents include mineral rights, and host a number of zones on which historical exploration identified nickel and gold mineralization (these sample results are historical and non 43-101 compliant) from work carried out in the 1960's and 1970's, some of which have been previously announced. The Company has also staked an additional 23,190 acres of mineral claims (*i.e.* mineral rights only) in the same general area.

A Heliborne geophysical survey was initiated during Q1/12 over the six northernmost townships in Block A as well as the Lucas Township gold target. Results of the airborne survey were received and announced in Q2/12 and drilling commenced during Q2/12 on the Kingsmill Nickel target.

The Company completed a 12 hole, 4,922.2 meters diamond drill program on the Kingsmill Nickel Target and a series of preliminary metallurgical testing on the Kingsmill drill core in Q2/12 and Q3/12. The Company completed two (2) sets of Metallurgical Testing by Actlabs of Ancaster, Ontario (an independent and accredited lab) on twenty (20) individual samples from the Kingsmill



Nickel Target to determine the presence of magnetically recoverable Nickel mineral – Awaruite. The Company also completed a third (3<sup>rd</sup>) 250Kg Metallurgical Test sample by G&T Metallurgical Services of Kamloops, BC (an independent and accredited lab) to further expand on the scope of magnetically recoverable Nickel Mineral –Awaruite. Additional metallurgical testing is proposed. The Company, during Q3/12, acquired an additional 3 claim blocks totaling 12 claim units contiguous to the Kingsmill nickel target in Kingsmill and Aubin Townships from Pat Gryba.

The Company also completed a 6 hole 3,059 meters diamond drill program on the Lucas Gold Target in Q3/12. Results were included in subsequent News Releases. During Q1/12, the Company acquired an additional eleven (11) claim blocks totaling 132 claim units from Metal Creek Resources Inc., adjacent to the Lucas Gold target in Lucas, Duff and Tully townships. Further information is set out in Note 11(a) of the consolidated financial statements for the year ended August 31, 2015.

During Q3/14, the Company sold the timber and surface rights to Block A of Project 81. The Company retained the mineral rights to Block A of Project 81 and a 50% net royalty on carbon credit revenue from Block A of Project 81. The purchaser acquired a 5% net profits interest in any mineral retained by the Company. The Company has the right to repurchase up to one half of this net profits interest at a cost of \$800,000 per 1% interest. For further information, refer to the press release dated April 29, 2014 filed on Sedar.

During Q4/14, the Company recognized an impairment charge of \$2,950,000 primarily reflective of the general declines seen in commodity based resource markets.

During Q1/15, the Company sold all of Block B of the Company's Project 81 and the carbon royalty revenue from Block A described above. The Company has the right to repurchase Block B of the Company's Project 81 for a period of 12 months at a price of \$1,250,000 plus a 1% per month administrative fee, and the right to repurchase the Carbon Royalty for a period of 12 months at a price of \$243,258 plus a 1% per month administrative fee.

During fiscal 2015, the Company recognized an impairment charge of \$3,645,942 primarily reflective of the general declines seen in commodity based resource markets. The recoverable amount was determined based on fair value less cost of disposal which was calculated on the basis of the market capitalization of the Company. Similarly, as at and for the year ended August 31, 2016, 2017, and as at and for the nine months ended May 31, 2018 the Company assessed the market value of this project and determined that no impairment charge was required.

On April 5, 2018, the Company provided an update on its Project 81-Lucas Gold Deposit 2018 Diamond Drilling Campaign. The Company completed 15 NQ size diamond drill holes totalling 3,183.93m over approximately 650m strike length. The entire core length was sawed in half, sampled, and 3,422 half core samples were submitted to Activation Laboratories (Actlabs) in Timmins for Gold Fire Assay (1A2 analytical package) and 32 element ICP analyses (1E3 analytical package).

The Company also discovered a total of 37 historical drillhole collars during this field programme using a CST/Berger Magna-Trak (MT200) LCD metal locator unit. All drill collars were surveyed using SXBlue II+GPS unit which has an accuracy of 30-60cm. All drill collars were sealed and flagged for future references if required.

The main objectives of the 2018 diamond drilling campaign were three fold:

- Firstly, to locate the Au mineralized Pyrite+/-Chert+/-Quartz unit described in the historical drilling and to trace it along strike for approximately 650m of the 1700m strike length as interpreted from Airborne EM and MAG Surveys.
- Secondly, to determine the attitude and displacement of this mineralized unit with respect to the extensive faulting and displacement interpreted from historical drilling and Airborne Geophysical

Surveys. Noble discovered additional shallow angle sub-horizontal faulting and displacement within this unit, and

- Thirdly, to determine the controls of the gold mineralizing mechanism/events, gold grade, and gold distribution within the pyrite+/-chert+/-quartz unit.

In order to realize the above objectives, 10 (ten) diamond drill holes were designed to test the attitude, displacement and strike length of the pyrite+/-chert+/-quartz mineralized unit, while 5 (five) diamond drill holes were designed to test the controls of the gold mineralizing mechanism/event. In so doing, a number of the historical drill holes were twinned specifically historical drill holes L80-04, L80-13 and L81-36.

Noble owns interests or has the right to earn an interest in the property summarized in the table below:

Exploration and Evaluation Assets	Location	NOB's Interest	Property Size Approx. acres
Project 81	North Timmins Area	100%	171,810

All field work is carried out under the supervision of Mr. Randy Singh, BSc., PGeo (ON), PEng (ON) the Company's Vice President of Exploration and Project Development and a Qualified Person under National Instrument 43-101. Exploration results on all of the Company's projects are reviewed by Mr. Michael Newbury PEng (ON), a director of the Company and a Qualified Person as defined under National Instrument 43-101. Mr. Newbury has read and approved the technical and scientific information contained in this MD&A. Disclosure on mineralization on adjacent properties has not been verified by Mr. Newbury and is not necessarily indicative of the Company's anticipated results. Where provided, potential quantity and grade is conceptual in nature as the Company has not conducted sufficient exploration to define resources and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

#### SELECTED QUARTERLY INFORMATION

The following tables show selected financial information related to the Company for the periods indicated. The information contained in these tables should be read in conjunction with the Company's financial statements. An analysis of the information contained in these tables is set out below under "Results of Operations" and "Liquidity and Capital Resources".

#### Selected Quarterly Information

Quarter Ended	Net Income (Loss)		Cash & Short Term Investment	Total Assets	Working Capital (Deficiency)
	Total	Per Share <sup>(1)</sup>			
	\$	\$	\$	\$	\$
May 31, 2018	(485,206)	(0.00)	150,283	4,420,262	60,699
Feb. 28, 2018	(67,253)	(0.00)	1,229,222	5,300,806	1,317,858
Nov. 30, 2017	(339,233)	(0.00)	1,702,438	5,102,300	1,905,436
Aug 31, 2017	1,615,148	0.03	873,326	4,747,588	1,483,560
May 31, 2017	459,671	0.01	679,616	2,154,616	(1,168,140)
Feb. 28, 2017	(102,938)	(0.00)	528,403	1,766,456	(2,374,295)
Nov. 30, 2016	(82,184)	(0.00)	5,946	1,368,167	(2,540,093)
Aug. 31, 2016	168,774	0.00	7,890	1,251,745	(2,764,291)

(1) Basic and fully diluted

## RESULTS OF OPERATIONS

The Company has no revenue from its exploration and evaluation assets. As a result of its activities, the Company continues to incur net losses.

In Q3/16, the Company's net loss was \$176,272 compared to a net loss of \$120,739 in the three months ended May 31, 2015.

In Q4/16, the Company's net income was \$168,774 compared to a net loss of \$1,822,711 in the three months ended August 31, 2015. Q4/16 saw an adjustment to the carrying value of the Company's exploration and evaluation assets, resulting in a reduction of impairment expense by \$301,032.

In Q1/17, the Company's net loss was \$82,184 compared to a net loss of \$113,545 in the three months ended November 30, 2015. Q1/17 saw no impairment charge recorded on the Company's exploration and evaluation assets, while the comparative three months ended November 30, 2015 reported an impairment charge of \$113,502.

In Q2/17, the Company's net loss was \$102,938 compared to a net loss of \$437,015 in the three months ended February 29, 2016. Q2/17 saw no impairment charge recorded on the Company's exploration and evaluation assets, while the comparative three months ended February 29, 2016 reported an impairment charge of \$261,712.

During the quarter ended May 31, 2017, the Company successfully negotiated reductions in both trade and related party amounts payable, resulting in a gain on forgiveness of debt of \$687,545. Primarily as a result of the gain, the Company reported net earnings of \$459,671 for the three months ended May 31, 2017 (three months ended May 31, 2016 - a loss of \$176,272).

During the quarter ended August 31, 2017, the Company recorded a gain on disposition of its Holdsworth exploration asset amounting to \$1,631,856 (three months ended August 31, 2016 - \$nil), which represented then largest single contributor to the \$1,615,148 quarterly net income (three months ended August 31, 2016 - \$168,774)

During the quarter ended November 30, 2017, the Company's net loss was \$339,233, compared to a net loss of \$82,184 during the quarter ended November 30, 2016. The variance was driven primarily by the recognition of \$227,080 of stock-based compensation expense related to 1,700,000 option grant taking place October 20, 2017.

During the quarter ended February 28, 2018, the Company net loss was \$67,253, compared to a net loss of \$102,938 during the quarter ended February 28, 2017. The variance was driven primarily by the recognition of a \$23,213 gain associated the favourable settlement of accounts payable owed to former a former service provider.

### Three Months Ended May 31, 2018 vs. Three Months Ended May 31, 2017

During the quarter ended May 31, 2018, the Company net loss was \$485,206, compared to a net earnings of \$459,671 during the quarter ended May 31, 2017. The variance was driven primarily by the recognition of a \$708,238 gain associated the favourable settlement of accounts payable owed to former a former service provider. Pursuant to the grant of restricted share units ("RSU") to certain officers and all of the directors of the Company on February 28, 2018, \$241,435 in restricted share unit compensation expense was recorded during the quarter ended May 31, 2018, representing the graded vesting of the fair value of the RSUs. No RSUs were granted prior to February 28, 2018. The increase in net loss was offset by \$41,495 of recovery of premium on flow-through shares during the quarter ended May 31, 2018, compared to \$nil during the quarter ended May 31, 2017.

### Nine Months Ended May 31, 2018 vs. Nine Months Ended May 31, 2017

During the nine months ended May 31, 2018, the Company net loss was \$891,692, compared to a net earnings of \$274,549 during the nine months ended May 31, 2017. The variance was driven primarily by the recognition of a \$708,238 gain associated the favourable settlement of accounts



payable owed to former a former service provider. Additionally, with the conversion or settlement of various notes and debentures payable in the prior fiscal year, the Company saw its interest expense decline from \$15,439 for the comparative nine months ended May 31, 2017, to \$nil during the nine months ended May 31, 2018. Stock-based compensation rose to \$244,849 during the nine months ended May 31, 2018 compared with \$nil during the nine months ended May 31, 2017, as certain stock options granted October 20, 2017 continue to vest and the underlying Black-Scholes value is recognized over their vesting period. Pursuant to the grant of restricted share units ("RSU") to certain officers and all of the directors of the Company on February 28, 2018, \$241,435 in restricted share unit compensation expense was recorded during the quarter ended May 31, 2018, representing the graded vesting of the fair value of the RSUs. No RSUs were granted prior to February 28, 2018. This was offset by \$41,495 of recovery of premium on flow-through shares during the quarter ended May 31, 2018, compared to \$nil during the quarter ended May 31, 2017. The increase in net loss was offset by \$81,245 of recovery of premium on flow-through shares during the nine months ended May 31, 2018, compared to \$nil during the nine months ended May 31, 2017.

### **Provision for mining land taxes**

Ontario's Ministry of Northern Development and Mines (the "MNDM") declined the Company's request for a waiver of mining land taxes on the patented land rights currently comprising the bulk of the Company's Project 81. The Company replied to the MNDM's earlier rejection of Noble's waiver request with further submissions seeking mitigation of the mining land taxes assessed. The MNDM has now confirmed that these further submissions were rejected, and that the outstanding balance of mining land taxes owing on these properties for 2012, through 2017 approximates \$1,437,990. Interest on these outstanding amounts began accruing in the quarter ended August 31, 2016, having begun to accrue 60 days after the MNDM's invoice for 2016 mining land taxes was issued). As at May 31, 2018, the provision for mining land taxes included interest of \$96,453 (August 31, 2017 - \$96,453).

On October 17, 2017, the Company entered into an agreement (the "Agreement") with Ontario's Ministry of Northern Development and Mines (the "MNDM") regarding the payment of tax arrears and accrued interest on Noble's Project 81. The Company was advised by the MNDM that mining land taxes were assessed against its Project 81 patented lands (the "Lands") beginning on January 1, 2012. Under the Agreement, Noble has confirmed that the amount it owed to the MNDM stood at approximately \$1.4 million, including taxes and interest for the period of January 2012 to September 2017 (the "Tax Arrears").

Under the terms of the Agreement, the Company is required to pay the Tax Arrears and accruing mining land taxes in 10 installments, with the first four instalments of \$200,000 having been made in October 2017 through April 2018. The final payment will be due in September 2019, and upon the Company having made that payment it will have paid Tax Arrears plus all current mining land taxes through to that date. Pursuant to the Agreement, Noble also executed surrender documents (the "Surrender Documents") for the Lands that will be held in escrow by the MNDM until all required payments have been made. If the Company defaults under the Agreement, the MNDM has the option of demanding full payment of all then outstanding taxes and interest, or terminating Noble's ownership of the Lands after the expiration of a specified notice period.

Under the Agreement, Noble is entitled to enter into option, joint venture or similar agreements (the "Option Agreements") with respect to portions of the Lands (the "Optioned Lands") provided that the rights of third-parties under those Option Agreements are subordinated to the rights of the MNDM under the Agreement. In addition, the Company has a discretionary right to accelerate payment of Tax Arrears attributable to all or any Optioned Lands and, upon such payment, the MNDM will return the Surrender Documents associated with those Optioned Lands and confirm that all taxes due have been paid, after which the Optioned Lands will no longer be included as Lands.

### **Marketable Securities**

As at May 31, 2018, the Company owned several positions in Canadian junior resource companies. These investments are classified as available-for-sale and are carried at fair value, any unrealized gains or losses are recognized as other comprehensive income until the investment is disposed of, at which time any cumulative unrealized gain or loss previously recognized in other comprehensive loss is transferred and recognized as net income for the period.

### **Exploration and Evaluation Assets**

As a result of its exploration activities, the Company had deferred \$2,902,041 (August 31, 2017 - \$1,853,405) of exploration expenditures on its exploration and evaluation assets. The deferred expenses were mostly related to airborne radiometric mapping and survey, to sampling, drilling, trenching, and to efforts to identify anomalies and mineralization zones.

### **Capital Management**

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future opportunities, and pursuit of acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, share-based payment reserve, warrants, deficit, and other comprehensive loss, which at May 31, 2018 totaled \$2,924,751 (August 31, 2017 - \$2,698,975).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on activities related to its exploration and evaluation assets. Selected information is frequently provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the nine months ended May 31, 2018. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of May 31, 2018, the Company was compliant with Policy 2.5.

### **LIQUIDITY AND CAPITAL RESOURCES**

The Company had working capital of \$60,699 as at May 31, 2018 (August 31, 2017 - \$1,483,560). The decrease in working capital seen during the period is primarily due to \$1,048,636 of exploration expenditures incurred and \$800,000 payment for mining land taxes provision.

The Company has no revenue from its exploration and evaluation assets. The Company continues to seek additional sources of liquidity. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its exploration and evaluation assets expenditures is dependent on management's ability to secure additional financing, or establishing a joint venture

or disposition of assets to carry out its exploration programmes. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the consolidated financial statements. These adjustments could be material. For additional comments on the Company's liquidity and capital resources, refer to Note 1 of the Condensed Interim Consolidated Financial Statements for the nine months ended May 31, 2018, and Note 1 of the Audited Financial Statements for the year ended August 31, 2017, the "Capital Management" section above and to the "Subsequent Events" and "Risk Factors" sections below.

As of the date of this document, the Company's share position consisted of:

Shares outstanding	96,224,179
Options outstanding	4,280,000
Warrants outstanding	45,710,729

#### Events Occurring After Reporting Date

On June 21, 2018, 16,650 broker warrants were exercised at an exercise price of \$0.075. Accordingly, the Company issued 16,650 shares and received proceeds of \$1,249.

#### Related Party Transactions

The following amounts were paid or accrued as payable to officers and directors or to companies controlled by those officers and directors. These expenditures were recorded at the amounts negotiated and agreed to by the parties and are summarized below:

	Nine Months Ended May 31, 2018	Nine Months Ended May 31, 2017
Chairman, President & CEO	\$ 45,000	\$ 45,000
Vice President Exploration & Project Development	77,864	102,858
Chief Financial Officer	13,770	13,500
Directors' fees	33,500	21,750
Corporate Secretary <sup>(1)</sup>	173,289	185,000

- (1) A partner of the legal firm Ormston List Frawley LLP is an officer of the Company. Fees for corporate secretarial, legal and other services provided by the firm were included in share capital costs and professional fees. The fees of the corporate secretary are a portion of the total fees of approximately \$173,289 paid, payable or accrued for securities, corporate, and transaction legal advice to a law firm of which the corporate secretary is a partner. This amount includes \$31,500 payable for Corporate Secretarial services during the nine month period ended May 31, 2018, as well as fees for other legal and related advice and services.

During the three and nine months ended May 31, 2018, the Company incurred an aggregate of \$28,927 and \$136,634, respectively, (three and nine months ended May 31, 2017 - \$53,786 and \$161,358, respectively) in management fees to three officers for administering the Company's affairs. Of these amounts, \$9,292 and \$77,864, respectively, (three and nine months ended May 31, 2017 - \$34,286 and \$102,858, respectively), were capitalized to exploration and evaluation assets and \$19,635 and \$58,770, respectively (three and nine months ended May 31, 2017 - \$19,500 and \$58,500, respectively) were included in management fees. As at May 31, 2018, \$300,717 (August 31, 2017 - \$152,792) pertaining to fees and ancillary expense reimbursements were included in accounts payable and accrued liabilities. Officers of the Company were reimbursed for out of pocket expenses that occurred in the normal course of operations.

During the three and nine months ended May 31, 2018, the Company accrued or paid professional fees of \$98,292 and \$173,289, respectively (three and nine months ended May 31, 2017 - \$175,000 and \$185,000, respectively), for legal advice and related services to a legal firm, Ormston List Frawley LLP, from which an officer of the Company is a partner. Approximately \$10,500 and \$31,500, respectively (three and nine months ended May 31, 2017 - \$5,000, and \$10,000, respectively) of that amount is attributable to the services of the Company's Secretary and for related corporate secretarial services, and the remaining \$87,792 and \$141,789 (three and nine months ended May 31, 2017 - \$170,000 and \$175,000) is attributable to services of other lawyers and legal professionals at Ormston List Frawley LLP. As at May 31, 2018, \$3,979 (August 31, 2017 - \$207,220) pertaining to legal fees were included in accounts payable and accrued liabilities. This amount excludes amounts that have not been billed to the Company at May 31, 2018 for services rendered up to that date. The amounts payable or paid to Ormston List Frawley LLP are not included in the amounts referred to in the preceding paragraph.

Of the \$1,500,000 financing completed on October 22, 2012, \$100,000 was raised from a syndicate of lenders including \$33,333 from the Company's CEO. The \$33,333 was repaid in November 2016.

On December 21, 2012, the Company closed a \$521,000 loan from a syndicate of private lenders, including \$11,667 from the Company's CEO and \$12,000 from a corporation of which the Company's secretary is an officer, director and owner. In November 2016, the principal of \$11,667 owed to the CEO was repaid.

On November 9, 2015, the Company closed a \$5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and was fully repaid during the year ended August 31, 2017 through the issuance of 83,333 common shares of the Company under a shares for debt arrangement. No commission was paid on this transaction. For the three and nine months ended May 31, 2018, \$nil (three and nine months ended May 31, 2017 - \$nil and \$149, respectively) of interest was incurred on this debenture. During the year ended August 31, 2017, this amount was repaid.

On December 3, 2015, the Company closed a \$3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and was fully repaid during the year ended August 31, 2017 through the issuance of 50,000 common shares of the Company under a share for debt arrangement. No commission was paid on this transaction. For the three and nine months ended May 31, 2018, \$nil (three and nine months ended May 31, 2017 - \$nil and \$89, respectively) of interest was incurred on this debenture.

On December 18, 2015, the Company closed a \$3,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly and was fully repaid during the year ended August 31, 2017 through the issuance of 50,000 common shares of the Company under a share for debt arrangement. No commission was paid on this transaction. For the three and nine months ended May 31, 2018, \$nil (three and nine months ended May 31, 2017 - \$nil and \$89, respectively) of interest was incurred on this debenture.

On February 17, 2017, the Company closed a \$5,000 unsecured debenture from Vance White, the Company's CEO. The debenture bears interest at 12%, payable quarterly. No commission was paid

on this transaction. On April 20, 2017, the loan was fully repaid through the issuance of 83,333 common shares of the company under a shares for debt arrangement.

During the three and nine months ended May 31, 2018, the Company accrued directors' fees of \$7,250 and \$33,500, respectively (three and nine months ended May 31, 2017 - \$7,250 and \$21,750, respectively). Accordingly, as at May 31, 2018, included in accounts payable and accrued liabilities is \$48,000 (August 31, 2017 - \$14,500) with respect to these fees.

The Company's outstanding common shares trade on the TSX Venture Exchange under the symbol NOB and to the knowledge of directors and officers of the Company, the Company's outstanding common shares are widely held.

The above noted transactions are in the normal course of business and are measured at fair value, except as noted, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

### **Off-Balance Sheet Transactions**

The Company has not entered into any off-balance sheet arrangements.

### **Proposed Transactions**

As is typical of the minerals, oil and gas exploration and development industry, the Company continues to review property and competitor company information in search of future opportunities in terms of new property acquisitions and business partnerships.

## **ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES**

### **Statement of Compliance**

The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by International Financial Reporting Interpretations Committee ("IFRIC").

The unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for the revaluation of certain financial instruments. In addition, the unaudited condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

In the preparation of the unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

The condensed interim consolidated financial statements were approved by the Board of Directors on July 26, 2018.

### **RISK FACTORS**

Noble Mineral's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. In addition to considering the information disclosed in the financial statements and in the other publicly filed documentation regarding the Company available at [www.sedar.com](http://www.sedar.com), the reader should carefully consider the following information. Any of these risk elements could have material adverse effects on the



business of the Company. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future, and the Company's common shares should be considered speculative.

### **Mineral Resources**

As of the date of this Management Discussion & Analysis, no mineral resources as defined by National Instrument 43-101 had been established at the Company's projects. There is no certainty that further exploration and development will result in the definition of mineral resources, or mineral reserves at the Company's projects.

### **Permitting Requirements**

The Company and/or its partners are, from time to time, required to obtain certain permits, licenses or consents in order to operate its business. There is no guarantee as to whether or when such permits, licenses or consents will be granted or renewed as applicable.

### **Commodity Price Volatility**

The price of various resource commodities that the Company intends to exploit and subsequently market can fluctuate drastically, and is beyond the Company's control.

### **Title to Mineral Properties**

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed or impugned. Although the Company has investigated its title to the mineral properties for which it holds concessions or mineral leases or licenses, there can be no assurance that the Company has valid title to such mineral properties or that its title thereto will not be challenged or impugned. The Company obtained title insurance on the patented properties that are included in its Project 81 when it first acquired those properties. A successful claim that the Company does not have title to a mineral property could cause the Company to lose its rights to mine that property, perhaps without compensation for its prior expenditures relating to the property.

### **Mineral Exploration and Exploitation**

Mineral exploration and exploitation involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise. Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of some properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining, or to upgrade existing infrastructure. There can be no assurance that the funds required to exploit any mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The economics of exploiting mineral reserves and resources discovered by the Company are affected by many factors, many outside the control of the Company, including the cost of operations, variations in the grade of ore mined and metals recovered, price fluctuations in the metal markets, costs of processing equipment, and other factors such as government regulations, including regulations relating to

royalties, allowable production, importing and exporting of minerals and environmental protection. There can be no assurance that the Company's mineral exploration and exploitation activities will be successful.

### **Uninsurable Risks**

Mineral exploration and exploitation activities involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences and political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could negatively affect the Company's profitability and financial position and the value of the common shares of the Company. The Company does not maintain insurance against environmental risks.

## **OUTLOOK**

### Project 81

The Company will continue its efforts on Project 81. Given significant advancements in exploration technology during the past 50 years, there is potential to identify additional resources.

During fiscal 2015, the Company received a geological interpretation and has recently prioritized drill ready targets on its Project 81.

With improving commodity and junior resource markets, the Company will continue to seek additional option and joint venture partners to earn into various selected targets that have been identified from this interpretation, the compilation of current and historic results, from the geophysical airborne survey flown in 2011, 2012 and 2017, and from the Gravity Gradiometer survey currently contracted.