

LABRADOR GOLD CORP.
Management's Discussion and Analysis ("MD&A")
Six Months Ended March 31, 2019

The following discussion and analysis of the results of operations and of the financial position of Labrador Gold Corp. ("Labrador Gold" or the "Company") is prepared as of May 29, 2019, and should be read in conjunction with the Company's condensed interim financial statements for the six months ended March 31, 2019 and the Company's audited consolidated financial statements and the notes thereto for the year ended September 30, 2018 ("fiscal 2018").

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

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

Company Information

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

On September 5, 2017, the Company entered into a Letter of Intent ("LOI") that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the "Labrador Properties"). The Company is meeting the terms of the LOI in respect of Ashuanipi and Hopedale but has dropped the Nain property. Additional claims adjacent to Ashuanipi and Hopedale were staked in fiscal 2018 and are being earned under the terms of the LOI.

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

At March 31, 2019, the Company had cash of \$846,738 (September 30, 2018: \$982,715) and working capital of \$855,026 (September 30, 2018: \$965,855).

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

Results of Operations – Three Months Ended March 31, 2019

In the quarter ended March 31, 2019 ("Q2-2019") Labrador Gold posted a net loss of \$69,502 (\$nil; per share), compared to a net loss of \$88,790 (\$nil per share) in the quarter ended March 31, 2018 ("Q2-2018").

The Company's most significant expenses were management and consulting fees of \$27,000 (Q2-2018: \$27,000), professional fees of \$16,500 (Q2-2018: \$14,153), and regulatory and transfer fees of \$12,580 (Q2-2018: \$14,868).

Results of Operations - Six Months Ended March 31, 2019

In the six months ended March 31, 2019 ("YTD-2019") Labrador Gold posted a net loss of \$140,997 or \$nil per share, compared to a net loss of \$464,679 (\$0.01 per share) in the six months ended March 31, 2018 ("YTD-2018"). The decrease in net loss YTD-2019 is the result of the Company not having incurred share-based compensation expense in connection with options granted and vested in the current period, compared to a share-based compensation expense of \$314,120 YTD-2018. The most significant expenses YTD-2019 were consulting and management fees of \$63,000 (YTD-2018: \$38,375), shareholder communications of \$25,448 (YTD-2018: \$41,422) and professional fees of \$18,027 (YTD-2018: \$24,656).

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

Liquidity and Capital Resources

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

Labrador Gold held cash of \$846,738 at March 31, 2019, compared to \$982,715 at September 30, 2018.

The Company had working capital of \$855,026 on March 31, 2019 compared to \$965,855 on September 30, 2018.

The Company is not subject to debt covenants.

Financing Activities – Fiscal 2019

In YTD-2019, the Company received proceeds of \$631,150 from the exercise of 4,855,000 warrants. The Company also entered into a shares-for-debt settlement with an arms' length party, in respect of online marketing services provided to the Company. Under the agreement, the Company issued an aggregate of 66,470 common shares valued at \$9,971 to settle debt of \$11,300 and recognized a gain on settlement of \$1,329.

Financing Activities – Fiscal 2018

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

On July 23, 2018, the Company received gross proceeds of \$2,624,500 from the sale of 10,498,000 units priced at \$0.25 per unit. Each unit consisted of one share and one-half warrant. Each whole warrant is exercisable into one additional share at a price of \$0.35 for a two-year period. A further \$375,600 was raised from the sale of 1,252,000 flow-through units at a price of \$0.30 per unit. Each flow-through unit consisted of one flow-through common share and one-half non-flow through warrant. Each whole non-flow through warrant is exercisable into one additional share at a price of \$0.40 for a two-year period. Finders fees comprised of \$180,127 in cash and 440,844 warrants of the Company valued at \$69,169 were issued in connection with this private placement. The Company also incurred \$7,500 in share issuance expense.

The Company issued 1,950,000 shares, valued at \$394,500, for the acquisition of unproven mineral right interests at the Labrador Properties.

The Company received proceeds of \$290,750 from the exercise of 1,975,000 warrants, and \$37,500 from the exercise of 450,000 options. In conjunction with the options being exercised the Company reclassified \$32,230 of previously recorded share-based compensation from share-based payments reserve to share capital.

Unproven Mineral Right Interests

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

	March 31, 2019	September 30, 2018
Labrador Properties		
Acquisition	850,203	850,203
Deferred exploration	3,978,389	3,366,009
	<u>4,828,592</u>	<u>4,216,212</u>
Borden Lake Property		
Acquisition	314,185	314,185
Deferred exploration	601,362	601,460
	<u>915,547</u>	<u>915,645</u>
	<u>5,744,139</u>	<u>5,131,857</u>

Labrador Properties

On September 5, 2017, the Company entered into a Letter of Intent (“LOI”) that grants the Company the option to earn a 100% interest in the Ashuanipi, Nain and Hopedale properties, located in Labrador (the “Labrador Properties”). The terms of the LOI are the following:

- On receipt of TSX-V approval: payment of \$75,000 and issuance of 450,000 shares in respect of each of the three Labrador Properties (completed);
- On or before September 5, 2018: payment of \$100,000 and issuance of 300,000 shares in respect of each property (completed with the payment of \$200,000 and issuance of 600,000 shares on the Ashuanipi and Hopedale properties, as the Company dropped its option on the Nain property) (completed);
- On or before September 5, 2019: payment of \$150,000 and issuance of 350,000 shares in respect of each property;
- On or before September 5, 2020: payment of \$175,000 and issuance of 400,000 shares in respect of each property; and
- On or before September 5, 2021: payment of \$250,000 and issuance of 500,000 shares in respect of each property

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

In January 2018, additional claims contiguous to the Ashuanipi property were staked and are being earned by the Company under the terms of the LOI. The Company also staked additional claims contiguous to the Ashuanipi property.

In May 2018, additional claims at the Hopedale property were staked and are being earned by the Company under the terms of the LOI.

Borden Lake Property

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

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

Exploration Activity – Q2-2019

Roger Moss, Ph.D, P.Geo, a Qualified Person under National Instrument 43-101 has approved the scientific and technical disclosure in this Management's Discussion and Analysis, and has verified the data disclosed.

During Q2-2019, Labrador Gold received the outstanding assay results of soil and rock samples collected during the 2018 field season.

Hopedale Project

A total of 10,594 soil samples were taken on 12 grids at a 100m line spacing and 25m sample spacing along the length of the Florence Lake greenstone belt. Assays of the samples returned gold values from below detection (<5ppb) to 2,860 ppb. Thirty-four samples returned values greater than 100 ppb Au, with five of these samples grading greater than 1,000 ppb Au (1g/t). Arsenic values ranged from less than detection to the upper limit of 10,000 ppm with 90 samples assaying greater than 1,000 ppm. Antimony values ranged between 0.05 and 171.5 ppm with eight samples assaying greater than 100 ppm.

Elevated gold values were found in samples from all 12 grids although the highest concentrations of samples with anomalous gold are found in the Thurber Dog, Jasmine and Misery grids. Anomalous gold is typically found along the contacts (often sheared) between ultramafic rocks and adjacent mafic, meta-sedimentary or felsic meta-volcanic rocks. In addition, elevated gold concentrations may be associated with specific structures such as a jog in stratigraphy in the northern Thurber Dog grid, a fold nose in the south of the Jasmine grid and an interpreted shear zone running through the Misery grid. Such structures are commonly associated with sites of gold mineralization in greenstone belts elsewhere in the world.

Arsenic concentrations are highest along a 4km north-south trend in the Jasmine Grid where massive arsenopyrite was found. Antimony appears to be elevated along interpreted shear zones, often forming elongate anomalies parallel to such structures as seen on the Misery and Schist Lake grids.

On March 13, the Company announced assay results of 588 rock samples taken along the length of the Florence Lake Greenstone Belt during the regional prospecting and mapping program. Of these samples, 80 assayed greater than 0.1 g/t gold including 17 samples that assayed greater than 1 g/t gold. Results of the assays ranged from below the detection limit of 0.05 g/t to 11.4 g/t gold in a grab sample from a quartz vein with pyrite and arsenopyrite. Additional highlights include channel samples of 2.77 g/t gold over 2.1 metres and 2.37 g/t gold over 2 metres. Highlights of gold assays of grab samples include 4.55g/t gold from quartz porphyry and 2.52g/t and 2.46g/t gold from quartz veins that were altered or contained sulphide.

While rock samples containing anomalous gold are found in many parts of the greenstone belt, most of the samples above 0.1g/t gold occur in the Jasmine/Shirley and Thurber Dog areas of the belt. At Jasmine/Shirley, the gold mineralization is associated with altered mafic volcanic rocks and phyllite that contain varying amounts of arsenopyrite from disseminated grains to veins of massive arsenopyrite. The highest-grade rocks in the area are from quartz veins with iron carbonate alteration.

At Thurber Dog, gold mineralization is associated primarily with altered porphyritic felsic volcanic rocks and quartz veins around the Thurber Dog occurrence and in the Thurber North area. At Thurber South the mineralization is

associated with intensely carbonate altered ultramafic and mafic volcanic rocks and associated quartz veins. The mineralized rocks typically contain disseminated pyrite and, more rarely arsenopyrite.

Ashuanipi Project

Results of the analysis of 7,458 soil samples from the Ashuanipi project were announced on January 22, 2019. The soil samples were taken on 18 grids at a 100m line spacing and 25m sample spacing across the Ashuanipi north claim block. In addition, 61 reconnaissance soil lines were taken over claims staked in Labrador and Quebec following the results of the 2017 work.

Results of analyses show significant gold anomalies in all but two of the 18 grids and confirm the 15km north-south anomalous trend identified during 2017. Analyses of the soils range from below detection limit, <0.5 parts per billion (ppb) to 8.97g/t Au, with 67 samples containing more than 0.1g/t Au and three samples containing more than 1g/t Au in the soil. Gold anomalies do not appear to correlate with specific rock types, at least on a regional scale, but are often associated with magnetic highs which may be indicative of a structural control on the location of the gold.

The Company is currently planning the work program for the coming field season, which will follow up specific targets with detailed sampling and mapping during 2019.

At least four targets have been identified on the Ashuanipi project based on soil and rock assays and available geophysics. These targets will be further resolved following completion of an airborne magnetic survey in June.

Eight targets are present at Hopedale on the Thurber, Jasmine, Misery and Schist Lakes grids. Targets are based on similar criteria to those at Ashuanipi, with the addition of geological contacts and structure. These targets will be further prioritized before follow-up work begins.

Summary of Quarterly Results (IFRS)

	31-Mar-19	Dec. 31, 2018	Sept. 30, 2018	June 30, 2018
Total revenues	\$-	\$-	\$-	\$-
Net loss	(69,502)	(70,166)	(60,772)	(95,659)
Loss per share	-	-	(0.01)	-
Diluted loss per share	-	-	0.01	-

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

Transactions with Related Parties

As at March 31, 2019, the Company's related parties consist of a company controlled by the Company's Chief Executive Officer ("CEO") and a company controlled by the Company's Chief Financial Officer ("CFO").

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

The Company entered into the following transactions with related parties:

- i. During YTD-2019, the Company incurred management and consulting fees of \$15,000 (YTD-2018: \$6,000) for accounting services provided by a company controlled by the Company's CFO and \$48,000 (YTD-2018: \$30,375) for consulting fees for services provided by a company controlled by the Company's CEO.
- ii. During YTD-2019, the Company incurred geological consulting fees of \$nil (YTD-2018: \$3,225) for services provided by a company controlled by the Company's CEO.
- iii. Amounts due to related parties are unsecured, non-interest bearing and due on demand.
- iv. Management fees to the Company's CEO are paid pursuant to a consulting agreement under which Moss Exploration Services receives a monthly fee of \$9,000. The Company can terminate the agreement with three months' notice, or payment of the fees during the termination period in lieu of notice.

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

Critical Accounting Estimates

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

Subsequent Events

On April 23, 2019, the Company received \$97,875 from the Government of Newfoundland and Labrador, representing the Mineral Incentive Programme - Junior Exploration Assistance contribution towards exploration conducted on the Hopedale project during 2018.

On May 14, 2019, the Company granted 1,600,000 share purchase options to directors, officers and consultants. The options vested upon grant, are exercisable at a price of \$0.25 per share and have a five-year term to May 14, 2024.

Other MD&A Requirements

As of May 29, 2019, the Company has outstanding a total of 56,514,022 shares, 4,380,000 options with a weighted average price of \$0.19 per share and 15,616,484 warrants with a weighted average exercise price of \$0.32 per share. Additional information is available at the Company's website at www.labradorgold.com. To view the public documents of the Corporation, please visit the Corporation's profile on the SEDAR website at www.sedar.com.

Cautionary Statement on Forward Looking Information

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

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

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

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

- general business and economic conditions;
- interest rates;
- changes in commodity prices;

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

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