

**NORAM VENTURES INC.**

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended January 31, 2018

## **NORAM VENTURES INC.**

Management's Discussion and Analysis  
Year Ended January 31, 2018  
May 30, 2018

Noram Ventures Inc. (the "Company" or "Noram") was incorporated in British Columbia under the *Business Corporations Act* (British Columbia) and is engaged in the acquisition, exploration and development of resource properties. The Company's common shares are listed for trading on Tier 2 of the TSX Venture Exchange (the "Exchange") under the symbol "NRM".

This management's discussion and analysis ("MD&A") reports on the operating results and financial condition of the Company for the year ended January 31, 2018 and is prepared as of May 30, 2018. The MD&A should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended January 31, 2018 and the notes thereto which were prepared in accordance with International Financial Reporting Standards ("IFRS").

All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

### **Cautionary Note Regarding Forward-Looking Information**

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, the Company and its operations, its planned exploration activities, the adequacy of its financial resources and statements with respect to the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). 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 statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

### **Description of Business**

Noram Ventures Inc. is an exploration stage company engaged in the acquisition, exploration and development of resource properties. As at January 31, 2018, the Company has interests in the following resource properties:

#### **1. Jumbo Claims, Slocan Mining Division, British Columbia**

The Company entered into an option agreement dated August 23, 2012 (as amended on May 15, 2014 and February 26, 2015), to acquire a 100% interest in 22 mining claims located near Nakusp, British Columbia, and received

## NORAM VENTURES INC.

Management's Discussion and Analysis  
Year Ended January 31, 2018  
May 30, 2018

TSX-V approval on August 29, 2012 ("effective date"). The purchase price for the 100% interest is payable by the Company with cumulative payments totaling \$205,000 and the issuance of an aggregate 1,400,000 shares of the Company's common stock, as follows:

<u>Date</u>	<u>Cash</u>	<u>Shares</u>
Upon signing (paid)	\$ 20,000	-
Within 3 business days of the effective date, (paid and issued)	\$ 10,000	500,000
First anniversary after effective date, (paid and issued)	\$ 50,000	350,000
On or before June 15, 2014 (paid and issued)	\$ 20,000	275,000
On or before August 29, 2014 (issued)	-	275,000
On or before February 28, 2015 (paid)	\$ 15,000	-
Upon the Company acquiring additional funds (paid)	\$ 15,000	-
On or before February 28, 2016 (paid)	<u>\$ 75,000</u>	<u>-</u>
	<u>\$ 205,000</u>	<u>1,400,000</u>

These claims are also subject to a 3% Net Smelter Return Royalty payable to the Optionor, one third of which can be acquired from the Optionor at a purchase price of \$1,000,000. The terms of the NSR Royalty also provide that commencing 36 months after the effective date, minimum annual payment payable to the Optionor pursuant to the NSR Royalty will be \$20,000.

On February 28, 2016, the Company entered into Addendum III, to amend the Agreement and the two previous amendments of May 13, 2014 and February 26, 2015. Pursuant to Addendum III, the final cash option payment of \$75,000 payable on or before February 28, 2016 and the \$20,000 annual NSR Royalty payment due August 29, 2015 have been amended to the following:

- \$10,000 per month commencing on March 15, 2016 and paid monthly until the \$75,000 is paid (the amount has been fully paid);
- Subject to regulatory acceptance, the issuance of 400,000 shares of the Company at a deemed price of \$0.05 per share in settlement of the \$20,000 annual NSR Royalty payment outstanding (issued on April 30, 2016), with the shares being restricted from trading for a period of one year from their date of issue; and
- forgiveness of the second annual NSR Royalty payment of \$20,000 due August 29, 2016, with the next annual NSR Royalty payment now due August 29, 2017.

On April 10, 2018, the Company announced that it allowed the Jumbo Claims to lapse; therefore impairment of \$921,664 was recognized for the year ended January 31, 2018.

### 2. Clayton Valley, Nevada

The Company entered into an agreement to acquire 201 mineral claims comprising 3,998.18 acres, in Clayton Valley, Nevada. The Company paid USD\$ 100,000 (\$125,480 CAD) for the 201 mineral claims, by way of a promissory note to the vendor and a NSR of 2.5%. The promissory note and all accrued interest at the rate of 8% per annum is due on or before April 27, 2017. The definitive agreement and transfer of tenure has been closed on April 27, 2016.

The Company has since acquired additional claims, by way of staking, and holds an interest in a total of 645 lithium brine claims comprising 17,738 acres Clayton Valley, Nevada.

On February 8, 2017, the Company entered into a definitive property option agreement (the "Option Agreement") with Alba Minerals Ltd. ("Alba") to acquire lithium brine/clay claims at Clayton Valley, Nevada and the Hector Lode lithium claims in San Bernardino County California.

In order to keep the Option Agreement in good standing and in force and effect, Alba shall:

- Make mandatory payments in the aggregate amount of CAD\$255,000 (received) to Green Energy on completion of the drilling program in Clayton Valley, to earn a 25% interest in the Claims. For greater certainty, this payment is an obligation of Alba and not optional and upon payment of the said amount Alba will become the owner of the said 25% interest without having to give Exercise Notice;

## **NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

- Make a second payment of CAD\$200,000 to Green Energy on or before March 30, 2017 or at such time as the National Instrument 43-101 Technical Report on drilling results is completed, whichever is later, in order to earn an additional 5% for a total 30% interest in the claims (not paid);
- Make a third payment of CAD\$200,000 to Green Energy on or before May 30, 2017, in order to earn an additional 5% for a total 35% interest in the claims (not paid);
- Make a fourth payment of CAD\$289,500 to Green Energy on or before August 25, 2017, in order to earn an additional 10% for a total 45% interest in the claims (not paid); and
- Make a fifth payment of CAD\$155,500 to Green Energy and issue an aggregate of 1,000,000 common shares in the capital of Alba (the "Alba Shares") to the Company on or before November 30, 2017, in order to earn an additional 5% for a total and maximum 50% interest in the claims (not paid).

On January 11, 2018, the Company announced that it has re-negotiated the terms of the Option Agreement. Alba will earn an additional 25% interest for a cash consideration of \$350,000 payable to the Company who will then be a 50% joint venture partner on the Clayton Valley Lithium Project.

On May 28, 2018, the Company entered into a property purchase agreement with Alba, subject to TSX-V approval, whereby the Company will repurchase the 25% interest Alba earned in the Clayton Valley claims for consideration of the issuance of 3,800,000 common shares at payment of \$400,000.

### **3. Hector Lode mineral claims, San Bernadino County, California, US**

On September 14, 2016 the Company acquired 116 Claims in San Bernadino County, California, US by paying USD\$100,000 and issuing 10 million common shares to the vendor at a deemed price of \$0.065 per share.

During the year ended January 31, 2018, management abandoned Hector Lode mineral claims. The aggregate costs related to the abandoned exploration and evaluation assets in the amount of \$782,303 were charged to operations.

### **4. Arizaro East mineral claims, Province of Salta, Argentina**

On July 26, 2017, the Company signed a property option agreement to acquire Arizaro East Claims comprising approximately 2,709 hectares in Province of Salta, Argentina. In keeping with the terms of the option agreement, the Company has issued 28,500,000 common shares, at a fair value of \$0.03 per share equaling \$855,000, to earn a 90% interest in the property and can earn the remaining 10% by making a payment of US\$150,000 on or before July 31, 2018. On August 25, 2017, the Company paid US\$150,000 for the remaining 10% interest of Arizaro East Mineral Claims.

During the year ended January 31, 2018, the Company recognized impairment of \$1,066,005 on the Arizaro East property due to less than favourable results; however the Company intends to continue exploring these claims.

### **Risk Factors**

The Company is in the business of acquiring, exploring and, if warranted, developing and exploiting natural resource properties. Mineral property exploration is a speculative business and involves a high degree of risk. There is a probability that the expenditures made by the Company in exploring its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis to further the development of a property. Capital expenditures to support the commercial production state are also very substantial.

*Matters related to the principal risks faced by the Company have been disclosed in previous MD&A's filed on SEDAR and continue to apply to the activity and business of the Company.*

### **Selected Annual Information**

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the audited financial statements of the Company for the years ended January 31, 2018, 2017 and 2016 prepared in accordance with IFRS. The selected financial data should be read in conjunction with those

## NORAM VENTURES INC.

Management's Discussion and Analysis  
Year Ended January 31, 2018  
May 30, 2018

financial statements and the notes thereto.

The following selected financial information is extracted from the audited annual consolidated financial statements of the Company prepared in accordance with IFRS.

	31Jan18	31Jan17	31Jan16
<b>Interest Income</b>	\$Nil	\$Nil	\$231
<b>Net Gain/Loss for the year</b>	\$(3,766,373)	\$(1,752,063)	\$(605,314)
<b>Loss per Share</b>	\$(0.23)	\$(0.17)	\$(0.22)
<b>Total Assets</b>	\$1,212,594	\$2,883,756	\$851,405
<b>Total Liabilities</b>	\$62,709	\$114,604	\$10,994

The referenced audited annual financial statements of the Company above have been prepared in accordance with IFRS. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of consolidated financial statements for a period necessarily involves the use of estimates, which have been made using careful judgment. Actual results may differ from these estimates.

### Results of Operations

At January 31, 2018, total assets were \$1,212,594 compared to \$2,883,756 as at January 31, 2017. This decrease in assets is due to a decrease in exploration and evaluation assets, due to an impairment of the Company's property.

The Company has no operating revenues.

During the year ended January 31, 2018, the Company had a net loss of \$3,766,373 compared to a net loss of \$1,752,063 for the prior year. Expenses decreased as a result of decreases in Consulting fees and Corporate Communication fees. Net loss increased due to the impairment of the Company's property and the payment of interest on various loans that were paid back during the year. Activity pertaining to the exploration and advancement of the Company's properties and the acquisition of additional assets has been limited due to financial restrictions of the Company.

### Summary of Quarterly Results

Quarter Ending	Expenses \$	Net Loss \$	Basic and diluted net loss per share \$
January 31, 2018	(467,418)	(2,543,220)	(0.01)
October 31, 2017	(84,863)	(943,446)	(0.01)
July 31, 2017	(161,391)	(161,288)	(0.00)
April 30, 2017	(118,419)	(118,419)	(0.00)
January 31, 2017	(240,887)	(240,887)	(0.02)
October 31, 2016	(358,314)	(358,314)	(0.00)
July 31, 2016	(957,535)	(957,535)	(0.01)
April 31, 2016	(195,327)	(195,327)	(0.00)

The following discussion outlines the reasons for some of the variations in the quarterly numbers but, as with most junior mineral exploration companies, the results of operations (including interest income and net losses) are not the main factors in establishing the financial health of the Company. Of far greater significance are the resource properties in which the Company has, or may earn an interest, its working capital and how many shares it has outstanding. The variation seen over such quarters is primarily dependent upon the success of the Company's ongoing property evaluation program and the timing and results of the Company's exploration activities on its then current properties, none of which are possible to predict with any accuracy.

## **NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

There are no general trends regarding the Company's quarterly results and the Company's business of resource exploration is not seasonal, as it can work on its property on a year-round basis (funding permitting). Quarterly results may vary significantly depending mainly on whether the Company has abandoned any properties or granted any stock options and these factors which may account for material variations in the Company's quarterly net income (losses) are not predictable.

The major factor which may cause a material variation in net loss on a quarterly basis is the completion in the Company's annual audits which can be seen in the quarter ending January 31, 2018 and January 31, 2017. Another is the completion of private placements which occurred in the quarter ending April 30. Another significant variation is the impairment of the Company's properties which occurred in the quarters ending January 31, 2018 and January 31, 2017.

The variation in income is related solely to the interest earned on funds held by the Company, which is dependent upon the success of the Company in raising the required financing for its activities which will vary with overall market conditions, and is therefore difficult to predict.

### **Liquidity and Capital Resources**

The Company has no revenue generating operations from which it can internally generate funds and therefore has been incurring losses since inception. The Company has financed its operations and met its capital requirements primarily through the sale of capital stock by way of private placements and the subsequent exercise of share purchase warrants issued in connection with such private placements and the exercise of stock options. The Company also has raised funds through the sale of interests in its mineral properties. When acquiring interests in resource properties through purchase or option, the Company issues common shares or a combination of cash and shares to the vendors of the property as consideration for the property in order to conserve its cash. The Company expects that it will continue to operate at a loss for the foreseeable future and will require additional financing to fund the exploration of its existing properties and the acquisition of potential resource properties.

At January 31, 2018, the Company had cash of \$152,356 compared to cash of \$119,989 for the same period in the previous year. The Company has no off-balance sheet financing. The Company has no long-term debt. The Company's cash flow has increased slightly due to a decrease in accounts payable and accrued liabilities.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production, and operate a resource property. Historically, the Company has raised funds through equity financing to fund its operations.

The Company will need to raise additional cash for working capital or other expenses. In addition, as a result of the Company's activities, unanticipated problems or expenses could result and require additional capital requirements, subject to TSX Venture Exchange policies and approvals.

The Company has no assets other than cash deposits and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes the Company does have sufficient working capital at this time to meet its current financial obligations.

### **Related Party Transactions**

During the year months ended January 31, 2018, the Company entered into the following transactions with related parties:

These transactions are in the normal course of operations on normal commercial terms and conditions and at market rates, which is the amount of consideration established and agreed to by the related parties.

a) The Company paid or accrued consulting fees in the amount of \$95,000 (2017: \$60,000) to a CEO of the Company.

## **NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

b) The Company paid or accrued \$5,650 (2017: \$12,500) to a director and CFO for accounting services. As at January 31, 2018, \$525 (2017 - \$Nil) is included in accounts payable and accrued liabilities.

c) Recorded share based compensation of \$17,981 (2017 - \$522,526) of share based compensation to directors and officers.

d) On August 24, 2017, the Company received a loan of \$200,000, of which \$150,000 was from related parties and \$50,000 was from a third party. The loan will bear interest at 12.5% per annum and a bonus of 12.5% will be paid to the parties. Interest expense of \$32,308 was accrued during the year ended January 31, 2018 (2017 - \$Nil). The principal, accrued interest and bonuses were repaid on January 18, 2018.

e) On August 24, 2017, the Company received a loan of USD\$150,000, of which USD\$55,500 was from a related party and USD\$94,500 was from third parties. The loan will bear interest at 20% per annum and a bonus of USD\$66,666 will be paid to the parties. Interest expense of \$99,105 was accrued during the year ended January 31, 2018 (2017 - \$Nil). The principal, accrued interest and bonuses were repaid January 18, 2018.

f) On November 6, 2017, the Company received a loan of \$120,000, of which \$90,000 was from related parties and \$30,000 was from a third party. The loan will bear interest at 12.5% per annum and a bonus of 12.5% will be paid to the parties. Interest expense of \$33,000 was accrued during the year ended January 31, 2018 (2017 - \$Nil). The principal, accrued interest and bonuses were repaid January 18, 2018.

e) The Company paid or accrued consulting fees in the amount of \$66,500 (2016: \$17,000) to the former Vice President of Business Development of the Company.

Key management compensation includes management fees of \$95,000 (2017: \$60,000) and accounting fees of \$5,650 (2017: \$12,500) paid to the CEO and CFO of the Company, respectively.

These transactions are in the normal course of operations on normal commercial terms and conditions and at market rates, which is the amount of consideration established and agreed to by the related parties.

### **Critical Accounting Estimates**

In the application of the Company's accounting policies, which are described in note 2 to the annual audited financial statements for the year ended January 31, 2018, management is required to make judgments, apart from those requiring estimates, in applying accounting policies. The most significant judgments applying to the Company's financial statements include:

- the determination of the Company's ability to continue its operations as a going concern;
- the determination of any impairment on the Company's assets.

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, fair value measurements for financial instruments, the recoverability and measurement of deferred tax assets, provisions for restoration and environmental obligations and contingent liabilities.

### **Recently adopted accounting standards and accounting standards issued but not yet effective:**

#### IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes requirements for recognition and measurement,

## **NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

impairment, de-recognition and general hedge accounting. IFRS 9 is effective for annual period beginning on or after January 1, 2018.

### IFRS 15 Revenue from Contracts with Customers

In May 2014, the International Accounting Standards Board ("IASB") issued IFRS 15 Revenue from Contracts with Customers, which specifies how and when an entity will recognize revenue as well as requiring entities to provide users of financial statements with more informative, relevant disclosures. IFRS 15 is effective for annual period beginning on or after January 1, 2018.

### IFRS 16 Leases

This new standard was issued with the objective to recognize all leases on the balance sheet. IFRS 16 requires lessees to recognize a "right of use" asset and a lease liability calculated using a prescribed methodology. The mandatory effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. Early adoption is permitted provided that IFRS 15, Revenue from Contracts with Customers, is also adopted.

The Company is currently assessing the impact these standards and amendments may have on its financial statements.

## **Fair Value of Financial Instruments**

### 1. Fair value of financial instruments

The carrying values of cash and cash equivalents, amounts receivable and trade payables and accrued liabilities approximate their fair values because of their short-term nature. The fair values of marketable securities are based on current bid prices at January 31, 2018.

In evaluating fair value information, considerable judgment is required to interpret the market data used to develop the estimates. The use of different market assumptions and valuation techniques may have a material effect on the estimated fair value amounts. Accordingly, the estimates of fair value presented herein may not be indicative of the amounts that could be realized in a current market exchange.

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Inputs for the asset or liability that are not based on observable market data.

As at January 31, 2018, there are \$Nil in financial assets at fair value.

During the year ended January 31, 2018, a market-to-market loss of \$Nil (2017 - \$Nil) for marketable securities designated as available-for-sale has been recognized in other comprehensive income.

There were no financial liabilities at fair value as at January 31, 2018, and May 30, 2018.

### 2. Financial instrument risk

The Company is exposed in varying degrees to a variety of financial instrument related to risks. The Board approves and monitors the risk management processes:

#### (i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of

## **NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

advances made to related parties. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management does not believe that there is significant credit risk arising from these advances. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

### (ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset-backed commercial papers. Foreign exchange risk The Company's functional currency is the Canadian dollar. Therefore, the Company is not exposed to foreign exchange risk.

### (iii) Market risk

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. Financial assets and financial liabilities are not exposed to interest rate risk because they are non-interest bearing.

#### (c) Commodity price risk

The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of palladium, nickel, and gold. The Company closely monitors commodity prices to determine the appropriate course of actions to be taken.

During the year ended January 31, 2018, there were no changes to the Company's risk exposure or to the Company's policies for risk management.

## **Capital Management**

The Company's objectives when managing capital are to ensure that there are adequate capital resources to safeguard the Company's ability to continue as a going concern and maintain adequate levels of funds to support the acquisition, exploration and development of exploration and evaluation assets such that it can continue to provide returns to shareholders and benefits for other stakeholders.

The Company considers the items included in shareholders' equity as capital. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or sell assets to settle liabilities. The Company has no long-term debt and is not subject to externally imposed capital requirements.

The properties in which the Company currently has an interest in are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical sources of capital have consisted of the sale of equity securities, loans, advances from related parties and interest income. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

The Company is not subject to any externally imposed capital requirements.

## **Financings**

On April 19, 2016, the Company issued 50,000,000 units pursuant to a non-brokered private placement at \$0.01 per unit for gross proceeds in the amount of \$500,000. Each unit consists of one common share and one non-transferable share purchase warrant. Each warrant entitles the holder to purchase one common share at the price of

## NORAM VENTURES INC.

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

\$0.05 until April 19, 2018. As the unit was issued at a price lower than the market trading price on April 19, 2016 \$nil was allocated to contributed surplus as fair value for the warrants under the residual value method. The Company paid a finder's fee of \$13,841 in cash and 1,312,000 non-transferrable warrants with a fair value of \$43,127. Each warrant is exercisable into one common share at a price of \$0.05 until April 19, 2018. All securities are subject to a four-month hold period, until August 20, 2016.

### *Property Acquisitions*

On July 19, 2017 the Company issued 28,500,000 common shares for property option payments for Arizaro East mineral claim to earn a 90% interest at fair value of \$0.03 per share for a total fair value of \$855,000.

On September 30, 2016, the Company issued 10,000,000 common shares at the deemed price \$0.065 as part payment for the acquisition of the Hector Lode mineral claims.

On April 6, 2016, the Company issued 400,000 common shares for property option payments for the Jumbo Claims, at fair value of \$0.05 per share.

### *Shares for Debt*

On January 4, 2018, the Company entered into settlement agreements with various creditors, pursuant to which the Company settled an aggregate of \$80,350 of debt in consideration for the issuance of an aggregate of 1,607,000 common shares of the Company at a price of \$0.05 per share.

### *Share Consolidation*

On March 2, 2018, the Company consolidated its shares on the basis of one new, post-consolidated share for every 10 old, pre-consolidated shares. The weighted average number of common shares and loss per share figures have been adjusted to reflect this share consolidation. All other share and per share amounts in the financial statements are presented on a pre-consolidation basis.

### *Incentive Stock Options*

During the year ended January 31, 2018, the Company issued 4,750,000 common shares pursuant to the exercise of options at a price of \$0.05 per share for gross proceeds of \$237,500. An amount of \$304,663 was transferred from reserves to share capital upon exercise of these options. As at January 31, 2018, the Company has subscriptions receivable of \$50,000 related to these options exercised, which was received subsequent to year end.

### *Outstanding Share Data*

As at January 31, 2018, the Company had 196,137,333 common shares issued and outstanding. As at the same date, there were 14,031,000 warrants outstanding, and 5,850,000 options were outstanding. As at the date of this MD&A, the Company has 19,783,733 common shares issued and outstanding, 487,000 warrants outstanding and 2,010,000 options outstanding after the consolidation on March 2, 2018.

	<b>Number of Shares</b>	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
<b>Issued and Outstanding (post- consolidation)</b>	19,783,733	85,000	\$0.50	June 20, 2018
		25,000	\$0.50	July 20, 2018
		1,900,000	\$0.18	May 18, 2028
		<hr/> 2,010,000	<hr/> \$0.50	

## NORAM VENTURES INC.

Management's Discussion and Analysis  
Year Ended January 31, 2018  
May 30, 2018

### Warrants

Number Outstanding (post-consolidation)	Exercise Price	Expiry Date
487,000	\$1.00	June 26, 2018*

\*The terms of such warrants have been extended from June 26, 2016 to June 26, 2018.

#### (1) Authorized and Issued Capital Stock

a) Authorized - Unlimited common shares without par value.

b) Issued

As at January 31, 2018, the Company had 196,137,333 common shares issued and outstanding, and as at May 30, 2018, the Company had 19,783,733 common shares issued and outstanding after the consolidation on March 2, 2018.

#### (2) Options and Warrants Outstanding

a) Stock options outstanding are as follows:

The Company has a Rolling Stock Option Plan (the "Plan"), which follows the policies of the Exchange regarding stock option awards granted to employees, directors, and consultants. The stock option plan allows a maximum of 10% of the issued shares to be reserved for issuance under the plan.

On June 20, 2016, the Company granted 7,250,000 incentive stock options to officers, directors and consultants of the Company, vesting immediately, to purchase 7,250,000 common shares at a price of \$0.07 for a period of two years from the date of issue. The exercise price of the stock options was revised to \$0.05 on June 6, 2017.

On July 20, 2016, the Company granted 2,250,000 incentive stock options to directors of the Company, vesting immediately, to purchase 2,250,000 common shares at a price of \$0.07 for a period of two years from the date of issue. The exercise price of the stock options was revised to \$0.05 on June 6, 2017.

On June 6, 2017, at the Company's annual general and special meeting, shareholders voted in favour of re-pricing all issued options to \$0.05.

During the year ended January 31, 2018, 4,750,000 options were exercised.

As at January 31, 2018 there are 5,850,000 stock options outstanding, and as at May 30, 2018, there are 2,010,000 stock options are outstanding due to a 10:1 share consolidation that occurred, 1,000,000 options were exercised subsequent to year end, 375,000 options were cancelled subsequent to year end and 1,900,000 options were granted on May 18, 2018.

b) Warrants outstanding are as follows:

On April 19, 2016, 1,312,000 warrants were issued in connection with a private placement that was completed during the quarter. Each warrant is exercisable at a price of \$0.50 until April 19, 2018.

As at January 31, 2018, the Company had 14,031,000 warrants issued and outstanding and at May 30, 2018, the Company has 487,000 warrants issued and outstanding due to a 10:1 share consolidation that was completed, 700,000 warrants were exercised subsequent to the year end, and 846,100 post consolidation warrants expired on April 19, 2018.

### Subsequent Events

**NORAM VENTURES INC.**

Management's Discussion and Analysis

Year Ended January 31, 2018

May 30, 2018

There are no events to report.

**Additional Information**

Additional information about the Company is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).