



**ORFORD MINING CORPORATION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Three and Nine Months Ended September 30, 2018 and 2017

## TABLE OF CONTENTS

Introduction.....	3
Description of Business.....	3
Third Quarter and Recent Highlights .....	3
Operational Review.....	4
Results of Operations.....	7
Cash Flows, Liquidity and Capital Resources.....	8
Related Party Transactions.....	10
Off-Balance Sheet Arrangements .....	10
Outstanding Share Data.....	10
Critical Accounting Policies and Estimates .....	11
Risk Factors .....	11
Cautionary Statement Regarding Forward-Looking Information .....	11



Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

## INTRODUCTION

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The following management's discussion and analysis ("**MD&A**") of the financial condition and results of the operations of Orford Mining Corporation ("**Orford**" or the "**Corporation**") constitutes management's review of the factors that affected the Corporation's financial and operating performance for the three and nine months ended September 30, 2018. This MD&A, dated November 26, 2018, is intended to supplement and complement the Corporation's unaudited condensed consolidated interim financial statements – prepared in accordance with International Financial Reporting Standards ("**IFRS**"), applicable to the preparation of interim financial statements including IAS 34 Interim Financial statements – and related notes for the three and nine months ended September 30, 2018 and 2017 and should be read in conjunction with the audited financial statements and MD&A for the year ended December 31, 2017 on file with Canadian provincial securities regulatory authorities and available at [www.sedar.com](http://www.sedar.com). Unless otherwise noted, all amounts presented are in Canadian dollars.

## DESCRIPTION OF BUSINESS

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Orford is a mineral resource corporation primarily focused on the exploration of its Qiqavik, West Raglan and Carolina Gold Belt exploration projects.

## THIRD QUARTER AND RECENT HIGHLIGHTS

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- On October 16, 2018 Orford announced the discovery of a Thick Gold Mineralized Zone at the Qiqavik Project - Interlake Area and new high-grade gold at surface. The 2018 Qiqavik program included 8 drill holes totaling 1,211m. The highlight of the 2018 drilling program results is the discovery at the Interlake Area of a thick sequence of gold mineralized quartz-carbonate veining associated with sulphidic meta sediments which was intersected in three diamond drill holes (QK-18-002, -007 and -008). This is the first time that thicknesses of up to 24.6 metres (QK-18-008) of gold bearing mineralization within a structural complex zone has been intersected on the property. The Interlake area has generated additional potential high-grade targets for 2019. The 2018 Qiqavik work also identified several new high-grade surface gold showings and expanded previously discovered showings. Highlights from surface gold samples include 342 g/t gold at new surface showing A, just south east of Interlake, 149.5 g/t gold at a new surface showing B, and 108 g/t at the Focused Intrusive and 17.15 g/t at the Interlake zone continue to suggest strong gold endowment of the Qiqavik property and its untested potential. A total of 541 rock samples were taken during the summer of 2018 from predominantly angular sub-crop type boulders across the 40-kilometre-long property. Thirty-four of those samples returned grades of more than 2 g/t
- On August, 9, 2018 the Corporation announced the closing of a financing announced on June 20, 2018. Orford raised gross proceeds of \$831,008 in flow-through funding and \$370,000 in hard-dollar funding (total of \$1.2 million) from this financing. The \$831,008 gross proceeds from the issuance of flow-through shares will be used to incur qualifying Canadian Exploration Expenditures, as defined under the Income Tax Act (Canada).
- On August 2, 2018 the Corporation announced the completion of its drilling program on the Jones-Keystone and Faulkner properties in North and South Carolina, respectively. A total of 6 holes have been drilled totaling 1,121m (655m at Jones-Keystone and 466m at Faulkner). Assay results for the first hole on the Jones-Keystone Property have been encouraging, reporting 41.1 m grading 1.36 g/t Au, including 9m grading 2.63 g/t Au. The Drilling at Jones-Keystone has confirmed continuity of historical mineralization and extended mineralization into a previously unexplored zone which opens up the size potential of this mineralized system. Drilling at Faulkner has discovered a new sulphide mineralized zone.



Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

- On July 30, 2018, the Corporation announced that it has closed the previously announced transaction (see Orford news release dated June 11, 2018) to acquire Condor Precious Metals Inc. ("Condor"), a private company with a cash and marketable securities balance of approximately \$1.25 million, including \$663,122 in cash. Under the terms of the transaction, Condor shareholders received 0.073 shares of the Corporation for each Condor share, along with a 1/4 share purchase warrant for every share of the Corporation issued at closing. The warrants will be exercisable at \$0.29 per Orford share for a two-year period. A total of 5,034,697 Orford common shares and 1,258,652 Orford warrants were issued under this transaction.
- On July 13, 2018, the Corporation announced that it had recently mobilized its crews to begin a summer exploration program on the prospective Qiqavik project in the Nunavik Region of Northern Quebec. The program will consist of follow-up on the recently completed detailed airborne magnetics survey with prospecting, mapping and ground IP geophysics and planned drilling.

## **OPERATIONAL REVIEW**

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### **Exploration Properties**

#### ***Qiqavik Property***

The Corporation's Qiqavik Project is a property in Northern Quebec within the Cape Smith Belt, showing a high-grade gold, silver, copper and zinc mineralized trend.

Exploration efforts during the summer of 2018 were focused on discovering structural and chemical traps within the Qiqavik gold system, which includes the newly identified Interlake area just south of the Central Zone.

The 2018 Qiqavik summer exploration program included drilling in 8 holes totaling 1,211m, the collection of 541 surface grab samples of both bedrock and boulders, 1,034 till samples, geological mapping, prospecting and ground VLF geophysics. The program was successful in identifying additional gold showings at the Focused Intrusive, Central, and Gerfaut zones, as well as new showings at the Interlake, Django and Angus zones.

The drilling was focused in the Interlake area where three boreholes testing two parallel E-W conductors identified over a 310 m strike-length between two shallow lakes were tested. Borehole QK-18-002, drilled to the south, was collared 200 metres to the northwest of boreholes QK-18-007 and QK-18-008, which were both drilled northward from the same set up but with different inclination. Hole QK-18-008 intersected the gold zones 15 metres below the intersection in hole QK-18-007. The three boreholes intersected four gold-bearing structures located along a 13 km-long chain of E-W-trending lakes and rivers and hosted between two important thrust zones, including the Qiqavik break (Results in Table1).

Table 1: Notable 2018 Qiqavik Drilling Results (Notable is defined as intervals  $\geq 1$ m with an average of  $>0.4$ g/t Au; averages were weighted by assay length).

	From (m)	To (m)	Length (m)	Au (g/t)
QK-18-002	17.0	18.6	1.6	0.56
QK-18-002	58.6	62.9	4.3	0.51
QK-18-002	132.0	134.0	2.0	1.44
QK-18-002	171.0	178.0	7.0	0.35
QK-18-007	14.4	26.4	12.0	0.66
QK-18-007	45.0	49.0	4.0	0.61
QK-18-007	53.4	56.0	2.6	1.68
QK-18-008	44.0	68.6	24.6	0.48
	<i>including 1m @ 3.55g/t Au from 48-49m</i>			
QK-18-008	89.0	90.0	1.0	1.82

*Note: drill intervals reported above are down-hole core lengths as true thicknesses cannot be determined with available information.*

Two of the gold-bearing shear zones correspond to the targeted conductors and are characterized by graphite, pyrrhotite, and up to 15% quartz veining. The shear zones are sub-vertical, East-trending structures and their magnetic signature suggests that they may extend for at least another 1 kilometer to the east and 800 meters to the west, under shallow lakes. Boreholes QK-18-002, -007 and -008 confirmed the lateral and vertical extensions of the southernmost strong conductor that also coincides with a magnetic high lineament. The three boreholes intersected 4.35 m of 0.51 g/t Au, 4.03 m of 0.61 g/t Au, and 24.56 m of 0.48 g/t Au respectively, confirming the extension of the shear zone to a vertical depth of at least 130 metres. A strong, multi-element, till anomaly is also present three kilometers east of the drilled sector. It is located to the north, and in the down ice direction, of the eastern extension of the gold-bearing structures, suggesting their possible eastern extension. The coinciding VLF Conductor suggests a similar setting to that of the drilled shear zones.

During the 2018 field season, additional till samples from frost boils were collected to the south of the drill tested structures to potentially close off the dispersion trains to the north or identify additional parallel gold-bearing structures to be drilled in 2019. The results of these 2018 till samples will not be available until later in the year.

Orford is currently analyzing field data collected during July and August 2018 to define new and follow-up targets for the 2019 exploration season.

Spending on the 2018 Qiqavik program was \$3,561,203 to the date of this MD&A. Qiqavik is considered to have longer term potential.

### **West Raglan Property**

West Raglan is a mature nickel sulphide exploration project located in the centre of the Cape Smith Belt in northern Quebec, Canada.

Approximately \$47,000 was spent on the West Raglan Property in 2017 and \$134,649 has been spent in 2018 on property maintenance. No physical work will occur on the West Raglan project in 2018.

### Carolina Gold Properties

The Corporation holds options to earn a 70% interest in both the Jones-Keystone and Landrum-Faulkner gold properties in the Carolina Gold Belt, home to the Haile Mine. The current development of the +4 million-ounce Haile gold mine in South Carolina by OceanaGold has re-focused attention on the Carolinas as a highly prospective, under-explored and development-friendly jurisdiction.

On March 1, 2018, Orford announced the results of the first phase of exploration on the Carolina Gold Properties. From December 2017 to February 2018, Orford completed a program of Abitibi Geophysics OreVision™ ground Induced Polarization (IP) and ground magnetics geophysics combined with surface geological mapping and relogging of historical core on the Carolina Gold Properties. This program has yielded strong IP chargeability and resistivity anomalies that are coincident with and extend at depth and along strike well beyond known Haile-Style gold mineralization. Geological mapping and historical core relogging led by Ken Gillon, former Regional Exploration Geologist at Haile Gold Mines, (Romarco, OceanaGold) and the past-producing Ridgeway Gold Mine (Kennecott) has identified alteration vectors that suggest that the mineralised systems may be more extensive than previously thought.

Drilling on the Carolina properties began on April 23, 2018. On August 2, 2018, the Corporation announced the completion of its drilling program on the Jones-Keystone and Faulkner properties in North and South Carolina, respectively. A total of 6 holes have been drilled totaling 1,121m (655m at Jones-Keystone and 466m at Faulkner).

Complete results have been received from the drilling program on the Jones Keystone and Faulkner properties in North and South Carolina reported in Orford's news release of October 16, 2018. Complete drilling results are presented in Table 2 below, the highlight being hole JK-18-054 reporting 41.1 m grading 1.36 g/t Au, including 9m grading 2.63 g/t Au.

Table 2: Significant Assay Results for 2018 Drilling at Jones-Keystone and Faulkner Properties

Property	Hole Number	Interval length(m)	Assay Results (g/t Au)	From	To
Jones Keystone	JK-18-053	<i>No significant results</i>			
	JK-18-054	41.1	1.36	107	148.1
	<i>including</i>	9.2	2.63	108.5	117.7
	JK-18-054	3.1	1.5	154.2	157.3
	JK-18-055	6.1	0.64	77.7	83.8
Faulkner	FM-18-001	<i>No significant results</i>			
	FM-18-002	1.5	0.56	66.1	67.6
	FM-18-003	1.5	3.27	81.4	82.9

*Note drill intervals reported in this news release are down-hole core lengths as true thicknesses cannot be determined with available information.*

While drilling confirmed the continuity of historical gold mineralization at Jones-Keystone, the sulphide mineralization zones associated with the IP anomalies outside the historical trends did not yield significant gold values. At Faulkner, significant gold values were restricted to zones of quartz veining with visible gold within the larger IP targets that were found to coincide with extensive zones of sulphide mineralization and quartz-sericite alteration that did not yield significant gold values.

Spending on the 2018 Carolina program was \$604,039 to the date of this MD&A. The Carolina Gold Properties are currently being evaluated to assess whether they have longer term exploration potential.



Orford Mining  
Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

The disclosure in this MD&A of all Technical Information has been approved by Alger St-Jean, P.Geo., Vice President Exploration of the Corporation, a Qualified Person under NI 43-101.

## Outlook

The outlook and financial targets only relate to fiscal 2018. This outlook includes forward-looking information about the Corporation's operations and financial expectations and is based on management's expectations and outlook as of November 26, 2018. This outlook, including expected results and targets, is subject to various risks, uncertainties and assumptions, which may impact future performance and our achievement of the results and targets discussed in this section. For additional information on forward-looking information, refer to "Forward-Looking Information" of this MD&A. This outlook may be periodically updated depending on changes in metals prices and other factors.

At Qiqavik, the Corporation completed its summer exploration program which included drilling, mapping/prospecting and geophysics. The Corporation is currently reviewing data and defining new targets for 2019 both at the Interlake area and other prospects on the property. When frost boil and till sample geochemistry is received later in the year it will be integrated into the targeting process.

The results from the drilling on Jones-Keystone and Landrum are under review and consideration to decide on next steps for the two projects in the Carolina Gold Belt.

The Corporation will focus on the highly prospective and under explored Cape Smith Belt in Northern Quebec and the Carolina Gold Belt in the southeastern United States, which are underexplored regions that bear strong geological similarities and are in close proximity to existing flagship mining operations for major mining producers (Cape Smith Belt – Raglan Mine, Glencore) (Carolina Gold Belt – Haile Mine, Oceanagold), while seeking new opportunities to add to its portfolio.

## RESULTS OF OPERATIONS

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### Three months ended September 30, 2018, compared with three months ended September 30, 2017

The Corporation's net loss for the third quarter of 2018 of \$197,272 was lower than the prior year comparative period by \$3,523,279. The loss in the prior period included exploration and evaluation costs totalling \$3,980,196 (2018 - \$28,080) which is the primary reason for the year over year decline in the net loss. Total exploration and evaluation costs incurred in the three months ended September 30, 2018 (including capitalized and expensed amounts) were \$2,279,047 compared to \$4,033,948 in the prior year comparative period. The exploration and evaluation losses were primarily incurred in respect of the Corporation's Qiqavik property. The Corporation obtained its NI 43-101 technical report for that property on September 14, 2017. In accordance with the Corporation's accounting principles, costs incurred in respect of the Qiqavik property were expensed prior to the NI 43-101 technical report and capitalized thereafter. Partially offsetting the impact of lower exploration and evaluation expenses were higher general and administrative expenses due to costs related to running a public company, such as, transfer agent and listing fees, and investor relations costs; these expenses were not incurred during the prior year comparative period. Orford's shares were listed on the TSX Venture Exchange and began trading on October 27, 2017 and, as such, the Corporation began incurring public company-related costs from that date onwards. Office and general expenses of \$105,136 are mainly due to directors' fees, management salaries and corporate office rent. In the prior year comparative period while the Corporation was still a private company, Orford did not pay its directors any fees and members of management were engaged by Orford on a consultant basis. The deferred income tax recovery recognized during the current three months ended September 30, 2018 was \$101,815 compared to a recovery of



Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

\$367,629 in the prior year comparative period. This is due to the amortization of the flow-through share premium liability and certain exploration expenses being capitalized in the current year period versus exploration expenditures being expensed in the prior year period.

**Nine months ended September 30, 2018, compared with nine months ended September 30, 2017**

The Corporation's net loss for the first nine months of 2018 of \$1,532,362 was lower than the prior year comparative period by \$2,846,539. The loss in the current period included exploration and evaluation costs totalling \$604,039 (2017- \$4,483,468), a decrease of \$3,879,429, which is the primary reason for the year over year decline in the net loss. Total exploration and evaluation costs incurred in the nine months ended September 30, 2018 (including capitalized and expensed amounts) were \$4,367,502 compared to \$4,576,776 in the prior year comparative period. The exploration and evaluation losses were primarily incurred in respect of the Corporation's Qiqavik property. As described above, costs incurred in respect of the Qiqavik property were expensed prior to September 14, 2017 and capitalized thereafter. Partially offsetting the impact of lower exploration and evaluation expenses were higher general and administrative expenses due to costs related to running a public company, such as, transfer agent and listing fees, and investor relations costs. These expenses were not incurred during the prior year comparative period. Orford's shares were listed on the TSX Venture Exchange and began trading on October 27, 2017 and, as such, the Corporation began incurring public company-related costs from that date onwards. Office and general expenses of \$222,250 are mainly due to directors' fees, management salaries and corporate office rent. In the prior year comparative period while the Corporation was still a private company, Orford did not pay its directors any fees and members of management were engaged by Orford on a consultant basis. The deferred income tax expense incurred during the current nine months ended September 30, 2018 was \$93,019 compared to a recovery of \$432,222 in the prior year comparative period. This is due to the amortization of the flow-through share premium liability and certain exploration expenses being capitalized in the current year period versus exploration expenditures being expensed in the prior year period.

**Summary of Quarterly Results**

	2018				2017			2016
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Loss before income taxes	\$ 299,087	\$ 541,541	\$ 598,715	1,880,482	\$ 4,088,180	\$ 417,472	\$ 305,471	\$ 467,791

In 2017, the third quarter had the highest loss for the year primarily due to two factors. First, the financing of flow-through shares closed in July 2017 which was primarily used to finance exploration and evaluation expenditures during the third quarter upon receipt of the funds. Second, as noted above, a NI 43-101 report was filed in respect of the Qiqavik property. Consequently, costs incurred in respect of the Qiqavik property from September 14, 2017 onwards were capitalized instead of expensed.

**CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES**

Sources and Uses of Cash	Nine months ended September 30,	
	2018	2017
Cash used by operating activities	<b>\$(1,081,302)</b>	\$(4,145,720)
Cash used by investing activities	<b>(2,863,814)</b>	(98,481)
Cash provided by financing activities	<b>1,415,116</b>	3,434,000
Change in cash and cash equivalents	<b>\$(2,530,000)</b>	\$(810,201)





Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

### Operating Activities

Cash used by operating activities for the nine months ended September 30, 2018 of \$1,081,302 was lower than the prior year by \$3,064,418. The increase is primarily due to the change in accounting for the Qiqavik property. As noted above, from September 14, 2017 onwards, costs were capitalized. Therefore, costs for the Qiqavik were considered an operating activity during most of the nine months of 2017 whereas similar costs are considered an investing activity in 2018.

### Investing Activities

For the nine months ended September 30, 2018, total cash used by investing activities of \$2,863,814 was higher than the prior year comparative period by \$2,765,333. The primary reason for the increase relates to capitalized mineral properties interest of \$3,552,591 which was higher than the same period of the prior year by \$3,454,110. The majority of exploration activities during the first nine months of 2017 related to the Qiqavik property and were included in investing activities in 2018 compared with operating activities up to September 14, 2017 for the reasons noted above. Expenditures on mineral property interests do not include costs incurred on the Carolina property since the Corporation has not filed a related NI 43-101 technical report as of September 30, 2018. Expenditures incurred on the Carolina property have been expensed during the period then ended.

Partially offsetting the impact of higher expenditure on mineral properties interest was the cash of \$644,323 from the acquisition of Condor described above.

### Financing Activities

For the nine months ended September 30, 2018, cash provided by financing activities was \$1,415,116 compared with 3,434,000 in the same period of the prior year. The cash provided from financing activities in 2018 is from several issuances of shares as described in the note 6 of the Corporation's unaudited condensed consolidated interim financial statements as at September 30, 2018. The cash raised from financing activities in 2017 was also from the issuance of shares and was higher than 2018 by \$2,018,884. The cash raised from shares issuances is primarily used for the expenditure of exploration activities for the Corporation's Qiqavik property.

### Liquidity and Capital Resources

	September 30, 2018	December 31, 2017
Cash and cash equivalents	\$ 820,668	\$ 3,350,668
Working capital	597,573	2,785,506
Mineral property interests	7,846,267	4,082,804
Total assets	9,665,489	8,271,908
Shareholders' equity	7,160,710	5,822,184

As described in note 6 of the Corporation's 2017 audited financial statements, there was an issuance of flow-through shares during December 2017 which had gross receipts of \$2,848,396 which was mostly still cash on hand at December 31, 2017. The cash was being expended on exploration and evaluation during 2018, primarily for the Qiqavik property. The increase in mineral property interests of \$3,763,463 relates to the above noted change in accounting for the Qiqavik property as costs commenced capitalization on September 14, 2017.

The Corporation's total assets increased during the nine months ended September 30, 2018 by \$1,393,581 to \$9,665,489. The increase was primarily due to expenditures on mineral property interests and the loss in the current year period which was only partially offset by the net cash raised from financing activities.



Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

## RELATED PARTY TRANSACTIONS

During the three and nine months ended September 30, 2018 and 2017, the Corporation had the following related party transactions with Royal Nickel Corporation ("RNC"), and Dundee Resources Ltd. ("Dundee"), both of which are entities with significant influence over Orford:

	For the three months ended September 30,				For the Nine months ended September 30,			
	2018	2017	2018	2017	2018	2017	2018	2017
	Exploration and Evaluation Expenses		Management Services		Exploration and Evaluation Expenses		Management Services	
RNC	\$ 153,857	\$ 405,842	\$ 74,418	\$ 20,413	\$ 419,408	\$ 645,173	\$ 223,254	\$ 48,607
Dundee	-	-	-	15,000	-	-	56,000	45,000
Total	\$ 153,857	\$ 405,842	\$ 74,418	\$ 35,413	\$ 419,408	\$ 645,173	\$ 279,254	\$ 93,607

The executive services agreement with Dundee was terminated effective May 1, 2018.

As at September 30, 2018, \$130,943 was payable to RNC (December 31, 2017 - \$6,579) and \$88,968 was due to Dundee (December 31, 2017 - \$32,968). Both amounts were included in accounts payable and accruals.

The acquisition of Condor was a related party transaction. An officer and director of Orford was also a director of Condor prior to the acquisition. A company associated with Dundee owned 27% of Condor prior to the acquisition.

## SUBSEQUENT EVENTS

At September 30, 2018, the Corporation held marketable securities in Red Eagle Mining ("Red Eagle"), a company publicly-listed on the Toronto Stock Exchange ("TSX") under the trading symbol "R." At that time, Red Eagle shares had a market value of \$0.095 per common share. On November 9, 2018, Red Eagle announced that it had received a Notice of Default from its principal lender for defaulting on a US\$60 million loan. Red Eagle's common shares last traded at \$0.015 per share on November 9, 2018, immediately before its shares were halted from trading on the TSX. As of the date of this report, the trading of Red Eagle shares has not resumed. The Corporation will recognize a loss on the Red Eagle shares during the fourth quarter of 2018.

## OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Corporation does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Corporation, including, and without limitation, such considerations as liquidity and capital resources.

## OUTSTANDING SHARE DATA

As at November 26, 2018, the Corporation had 58,436,431 common shares issued and outstanding.



Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

As at November 26, 2018, the Corporation had the following securities outstanding, which are exercisable for common shares:

	Number of Securities	Weighted Average Exercise Price
Stock options	3,910,968	\$0.42
Warrants	9,085,028	\$0.68

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

The preparation of financial statements in conformity with IFRS requires management to apply accounting policies and make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is full disclosure of the Corporation's critical accounting policies and accounting estimates in note 2 of the audited financial statements for the year ended December 31, 2017.

There were no changes to the accounting policies applied by the Corporation to its 2018 quarterly unaudited condensed consolidated interim financial statements, compared to those applied by the Corporation to the financial statements for the year ended December 31, 2017 with exception to the new accounting policies highlighted in note 2 of the condensed consolidated interim financial statements for September 30, 2018.

### **RISK FACTORS**

The Corporation is subject to a number of risks and uncertainties. The risk factors are discussed in the Corporation's most recent MD&A for the year ended December 31, 2017.

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

This MD&A contains "forward-looking information" which may include, but is not limited to, statements relating to the liquidity and capital resources of Orford, and the potential of West Raglan, Qiqavik and Carolina Gold projects, successfully obtaining project financing, successfully obtaining permitting, the future financial or operating performance of the Corporation and its projects, the future price of and supply and demand for metals, the estimation of mineral reserves and resources, the realization of mineral reserves and resources estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new and existing deposits, costs and timing of future exploration as well as the potential of exploration properties, requirements for additional capital, government regulation of mining operations, environmental risks, reclamation expenses, the success of mining operations, economic return estimates, successful exercise of Carolina Gold option and potential upside. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate" or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Readers should not place undue reliance on forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any



Orford Mining  
Interim Management's Discussion & Analysis - Quarterly Highlights  
Three and nine months ended September 30, 2018

future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could affect the outcome include, among others: project delays; general business, economic, competitive, political and social uncertainties; future prices of metals; availability of alternative metal sources or substitutions; actual metal recovery; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; the future cost of capital to the Corporation; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities. Such forward-looking statements are also based on a number of material factors and assumptions, including: the availability of financing at rates and on terms and conditions otherwise acceptable to the Corporation; future metal prices; permitting and development consistent with Orford's expectations; foreign exchange rates; prices and availability of equipment; that contracted parties provide goods and/or services on the agreed timeframes; that on-going contractual negotiations will be successful and progress and/or be completed in a timely manner; and that no unusual geological or technical problems occur.

Although the Corporation 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 to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and the Corporation disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. There can be 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.