

## **Introduction**

The following discussion and analysis of the operations, results, and financial position of New Nadina Explorations Limited (the “Company” or “New Nadina”) should be read in conjunction with the Company’s condensed consolidated unaudited interim financial statements for the nine months ended May 31, 2018 and the audited financial statements for the year ended August 31, 2017 and the notes thereto.

The unaudited condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) and include the operating results of the Company. The Company adopted IFRS on September 1, 2011 with a transition date of September 1, 2010. Unless expressly stated otherwise, all financial information is presented in Canadian dollars. This information is current to July 26, 2018.

## **Business Description**

New Nadina has continued its efforts to date with a sole business objective to identify evaluate and explore mineral properties having high potential for the discovery of economic mineral deposits. The goal would be to involve a major mining company in the early stages of a discovery for the creation of value for our shareholders. We remain a publicly traded company without any substantive operations, and thus, have realized no significant mining revenues to date. New Nadina has a year end of August 31st, was incorporated on April 7, 1964 under the Company Act of British Columbia. On December 20, 1977 the name changed from Nadina Explorations Limited NPL to New Nadina Explorations Limited NPL. At that time a four for one roll back occurred where 2,380,005 issued shares of the former company resulted in 595,001 of the new company. On April 9, 1985 the company converted from a specially limited company to a limited company under the name of New Nadina Explorations Limited.

Announced (NR Nov 6, 2015), through a Plan of Arrangement, Kettle River Resources Ltd. became a wholly-owned subsidiary of New Nadina. Under the terms of the agreement, Kettle River shareholders received one New Nadina share for one Kettle River share (27,716,711 shares).

Announced (NR March 4, 2016), a share consolidation on a basis of ten (10) old shares (112,203,279shares) for one (1) new share (11,220,433 shares). New Nadina had no name change and the new CUSIP number is #647567304.

Announced (NR Feb 14, 2017) the Company sold its subsidiary, Kettle River. The sale comprised all the Greenwood Area Properties. The Non-Greenwood Area assets were retained (DHK Diamonds Inc. shares and 50% interest in Saskatchewan Quarry property) by New Nadina.

The Company is principally engaged in the acquisition, exploration and development of mineral and diamond properties in British Columbia, Saskatchewan and Northwest Territories, and accordingly has no revenue from any of its properties. The Company trades on the TSX Venture Exchange under the trading symbol “NNA” and is extra-provincially registered in the Province of Saskatchewan and extra-territorially registered in the Northwest Territories.

## **Forward-Looking Information**

This management discussion and analysis (“MD&A”) contains certain forward-looking statements and formation relating to the Company that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company as of reporting period under this disclosure. When used in this document, the words “anticipate”, “believe”, “estimate”, “expect”, “significant” and similar expressions, as they relate to the Company or its management are intended to identify forward-looking statements. This MD&A contains forward-looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital, the estimated cost and availability of funding for the continued exploration and developments of the Company’s exploration properties. Such statements reflect the current views of the Company with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievement of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

## **Mineral Project Activity**

### **Silver Queen Property – Central British Columbia (100%)**

The Company owns 100% interest in 17 crown-granted and 45 tenure claims covering 18,852 hectares in the Omineca Mining Division, near Owen Lake, British Columbia. The Silver Queen property is located at kilometer 43 on the all-weather Morice/Owen forest service road that originates in Houston B.C. continuing 125 kilometers south to Huckleberry Mine. A camp and core logging shed are established on the property. This is a historical mine site with good access and infrastructure as well as rights to electrical power for mine purposes.

Historical production was from the Cole, Chisholm and Wrinch (No.3) vein systems. The most recent production (early 1970’s) was by the Bradina Joint Venture of material from the north end of No.3 Vein. Since then significant surface and underground

exploration has proven extended length and depth of the No. 3 vein system and its extension, the NG3 vein. A 3,000 foot trackless size decline was driven in the 1980's intersecting the No.3 Vein at the 2425 level where a seven feet channel sample returned 0.302 opt gold, 19.22 opt silver and 12.63% zinc. The No.3 and NG3 system remains open on strike and to depth.

In September 2011 the hidden Itsit copper-molybdenum-gold porphyry was discovered by drill testing geophysical targets where a zone of high chargeability was identified southeast of the No.3 – NG3 Vein system. The drilling identified porphyry style copper, molybdenum and gold stockwork mineralization hosted by a quartz-feldspar porphyry intrusion.

Eight drill holes, at the end of 2013 were contained in an area roughly 650 meters SW-NE by 500 meters NW-SE. They intersected significant Cu-Mo-Au mineralization in the approximately two by one and a half kilometer system which remains open in all directions including depth. Drill holes in 2011, 11S-03, 11S-06 and 11S-13 intersected encouraging grades. Winter November 12, 2012 to February 23, 2013 a further six HQ/NQ2 diamond drill holes were completed, five of which were within the porphyry. A complete table of Itsit drill hole results are available in the (NR April 4, 2013), summarized in previous MD&A reports and displayed on a map on the Company website: [www.nadina.com](http://www.nadina.com).

**High grade silver:** Refer to **NR Dec 23, 2015**, reporting the NG-3 Vein intersection within the porphyry deposit in diamond drill hole 12S-05 from 332.5 to 338.0 meters. Over a true width of 2.2 meters the vein returned 3.15 g/t (0.092 oz/ton) gold, 1580.8 g/t (46.1 oz/ton) silver, 1.25% copper, 0.90 % lead and 0.48% zinc. A sub-parallel footwall vein was also intersected in the same drill hole from 410.5 to 419.75 meters with a true width of 3.70 meters. This vein returned assays of 2.3 g/t (0.067 oz/ton) gold, 166.6 g/t (4.86 oz/ton) silver, 0.26% copper, 0.22% lead and 0.90% zinc.

#### **2017 Oct-Nov Exploration –2,158.5m Three Hole Drill Program**

Excerpt from (NR Dec 29, 2017)

“The 2017 drill program was conducted during October and November with all three holes from the same drill pad for a total of 2,158.5M (see website 2017 Drill plan.pdf). Drilling planned to test the high conductive body inside the caldera and its apophysis further to the east, as well as test the high silver intercepts reported in 12S-05 (NR Dec 23, 2015) and a cylindrical type feature of chargeability high and resistivity low beyond the veins (NR Jun20, 2017). The property is showing both, Ag-Au-Cu-Pb-Zn veins and Cu-Mo+/-Au porphyry, respectively. Reconnaissance geological work has shown that the Silver Queen Ag-Au-Cu-Pb-Zn vein system is located within a 3km wide caldera, which formed during repetitive explosive eruptions producing pyroclastic volcanics (tuffs).”

Refer to (NR Dec 29, 2017) for assay results for drill holes **17S-01 and 17S-02**.

Excerpt from (NR Jan 18, 2018)

**“Drill Hole 17S-03** The purpose of this hole was to test the structure of the easterly apophysis of the main ‘Blue Target’ as a potential feeder for the ‘Sister Vein’ recognized at deeper levels in 12S-05. This apophysis is located outside the central caldera, north of the Cu-Mo porphyry drilled in hole 17S-02, and NW of the location of the intercept of the ‘Sister Vein’ in 12S-05. The drill pad was located directly above the apophysis, so a vertical hole has been performed. Drilling showed that the structure of the apophysis is roughly parallel to the hole, which indicates, that there is only a limited chance that this target is the feeder zone of the ‘Sister Vein’.

The results also show that the hole did not crosscut potential higher grade veins and zones since it had been performed sub-parallel to the stockwork structure, mainly consisting of pyrite.”

The Company’s focus of exploration concentrates on investigating mineable potential of the new found underground vein system within and distal to the porphyry.

**Spring drilling 2018** Due to the 2017 curtailment of drilling on account of unusual and unpredicted weather conditions with above normal precipitation levels, drilling resumed in May 2018. Reclamation of the single 2017 drill site was initially done in May then completed in July. Refer to NR July 23, 2018 for results to date of the three drill hole 3,052.5M program. Balance of results are pending. Access to private land was not allowed thus prohibited, a follow up hole to drill test the 12S-05 intercept at depth (NR Dec 23, 2015), nor test from the south-west at about 90 degrees to 12S-05.

#### **ACCESS ISSUE RESOLVED:**

On (NR May 24, 2017) the Surface Rights Board (SRB) granted an Order of Entry Right allowing New Nadina to drill and explore on private land. The private property land owner(s) have since 2012, opposed entry. An approved work permit includes drilling ending August 2018.

**Current:** Silver Queen expenditures for the nine month period ending May 31, 2018 totaled \$681,098 compared to \$93,297 for the similar period in 2017. On a project to date basis total Silver Queen expenditures by this company to May 31, 2018 amounted to \$8,973,213 (August 31, 2017 amounted to \$8,292,115).

**Monument Diamond Property - Lac de Gras, Northwest Territories (57.49%)**

The Company owns 57.49% of certain leases and claims in the Mackenzie District Mining Division, NWT. The property is subject to 2% gross overriding royalty. New Nadina is the operator of the joint venture where two parties hold the remaining 42.51%.

The property located at Lac de Gras, is approximately 300 km north of Yellowknife, accessible by float and ski plane and winter ice road. The property contains 12 proven diamond bearing kimberlites. An all season camp is positioned on the south shore of Lac de Gras.

A five year Type “A” Land Use Permit expired September 2017, in August 2017 the Company applied for a two year extension to the Land Use permit, this extension was granted moving the expiry to September 4, 2019. Further drill testing of potential kimberlite targets will occur when funds are available and may possibly require ground geophysics prior. Another joint venture partner would be considered for a program that might include further ground geophysics and drilling a number of untested anomalies and acquire larger samples from proven kimberlites.

On June 26, 2018 a site visit by the Resource Management Inspector revealed four drums of diesel fuel spilled. Removal of contaminated soil and remediation is being dealt with and plans are being made to avoid further spillage.

For the nine month period ending May 31, 2018 the Company has expended \$8,739 (2017 - \$14,708) on direct costs applicable to this property less recoveries of \$ Nil.

**For a History Recap and Property summary see website [www.nadina.com](http://www.nadina.com)**

**Saskatchewan Silica Sand Lease (100%)**

On acquisition of Kettle River, (NR Nov. 6, 2015), the Company now owns 100% (previously 50%) of this property. The silica Quarrying Mineral Lease covers an area of 54 acres and is valid until December 2019. To date, no income has been received from the lease. For the nine month period ending May 31, 2018 expenses totaled \$267 (2017 - \$488).

**2015 acquisition of Kettle River Resources Ltd:**

Announced (NR July 20, 2015) the Company, through a Plan of Arrangement (“POA”) with Kettle River Resources Ltd. (“Kettle River”) acquired all of the outstanding shares of Kettle River. Announced (NR Oct 16, 2015) Kettle River shareholders voted in favour and on (NR Nov 6, 2015) the acquisition was completed resulting in Kettle River becoming a wholly-owned subsidiary of New Nadina. Under the terms of the agreement, Kettle River shareholders received one New Nadina share in exchange for one Kettle River share for a total of 2,771,671.

**At completion, New Nadina assumed 100% of Kettle River’s assets, liabilities, and net income (loss) included in the consolidated financial statements of the Company.**

**Disposition of subsidiary, Kettle River Resources Ltd.** Announced (NR Feb 15, 2017) the Company sold Kettle River Resources Ltd. to Golden Dawn Minerals Inc. as per the terms outlined in the Letter of Intent. (NR Oct 19, 2016).

Disposition of Kettle River Resources Ltd.	Value Received	Number of Shares
Cash Payments:	\$1,010,000	
Shares Of Golden Dawn:	600,000	2.2 million (\$0.27/share)
	\$1,610,000	

**Other consideration**

Kettle River’s Greenwood Area Properties consisted of mineral claims, Crown Grants and surface freehold titles in the historical Greenwood Mining District. The Company is optimistic this package will enhance Golden Dawn’s property portfolio for rewarding exploration in the famous historical production district. Having a mill in the district encourages and makes feasible mining of smaller available deposits.

The Greenwood Area Properties are subject to a 1% NSR where Golden Dawn can purchase a 1/2% for \$1,000,000 up to five years and thereafter \$1,200,000 up to 10 years leaving a 1/2% NSR payable to the Company.

The Non-Greenwood area properties (DHK Diamonds NWT properties and Saskatchewan Quarry) are retained by New Nadina.

**Shares in DHK DIAMONDS INC. WO Joint Venture – operated by Peregrine Diamonds Inc.**

New Nadina owns a 43.37% interest in DHK Diamonds Inc. (“DHK”) a private company incorporated and registered in the Northwest Territories.

**Current DHK shareholder interest:**

New Nadina Explorations Limited (formerly Kettle River Resources Ltd.) 43.37%

Dentonia Resources Ltd. 43.37%

Cosigo Resources Ltd. (formerly Horseshoe Gold Mining Inc.) 13.26%

DHK is a contributing partner in the WO Joint Venture diamond property in the Northwest Territories. The operator is Peregrine Diamonds Ltd. (“Peregrine”). DHK has not recently contributed and has accepted dilution. DHK as of July 13, 2017 holds a 10.3013% (2017 - 10.3165%) contributing interest in the WO Joint Venture operated by Peregrine. Should DHK reduce to less than a 4% participating interest, they revert to a 0.25% Gross Overriding Royalty.

Through an agreement dated October 24, 2003 DHK holds a 1% gross overriding royalty on three leases known as the Monument Property, located at Lac de Gras NWT, explored for diamond potential, owned (57.49%) and operated by New Nadina.

**Results of Operations:**

**Summary of quarterly results– Standard of Preparation is IFRS**

<b>Period ended</b>	<b>Net Loss or (Income) for the quarter \$</b>	<b>Basic and diluted earnings (loss) per share for the quarter \$</b>	<b>Total Assets \$</b>	<b>Total Liabilities \$</b>
<b>Qtr 3 May 31, 2018</b>	<b>308,852</b>	<b>(0.02)</b>	<b>1,300,768</b>	<b>70,608</b>
Qtr 2 Feb 28, 2018	118,602	(0.01)	1,613,542	39,960
Qtr 1 Nov 30, 2017	418,099	(0.02)	872,330	117,314
Qtr 4 Aug 31, 2017	(189,643)	(0.01)	997,056	28,067
Qtr 3 May 31, 2017	92,743	(0.00)	1,078,595	58,897
Qtr 2 Feb 28, 2017	(1,255,872)	0.01	1,140,017	60,917
Qtr 1 Nov 30, 2016 (amended) **	33,071	0.01	265,174	619,060
Qtr 4 Aug 31, 2016	65,658	0.00	217,328	633,144
Qtr 3 May 31, 2016	32,594	0.00	252,004	747,253
Qtr 2 Feb 28, 2016	62,206	0.00	232,382	695,037
Qtr 1 Nov 30, 2015 (amended) *	852,892	0.00	231,631	632,078
Qtr 4 Aug 31, 2015	73,695	0.00	241,566	66,290

- \* Transaction cost amended from previously stated in November 30, 2015 report (see Note 2 in Feb 29, 2016 Financial Statement) resulting in changes to Net Loss and Liability amounts.
- \*\*Amended loss due to reallocation of \$95,000 deposit received from sale of subsidiary, once sale was completed amount was reallocated to proceeds of disposition and resulting gain on sale.

**Discussion of Operations and Financial condition**

**Working Capital:**

	<b>May 31, 2018</b>		<b>August 31, 2017</b>	
Current Assets	\$	<b>1,069,732</b>	\$	449,025
Current Liabilities		<b>70,608</b>		28,067
<b>Current Working Capital (deficiency)</b>	<b>\$</b>	<b>999,124</b>	<b>\$</b>	<b>420,958</b>

The following discussion and analysis of financial conditions and results of operations should be read in conjunction with the Company’s interim financial statements and related costs. The current period figures are for the nine month period ended May 31, 2018.

During the period ended May 31, 2018, the company incurred a loss of \$845,553 (\$0.05 per share) compared to income of \$1,130,058 for the similar period in 2017 (\$0.09 per share). This difference of \$1,975,611 is mostly (2017 - \$2,077,750) attributed the gain on the sale of subsidiary, and increased exploration activity.

Joint Venture reimbursements changed from \$4,387 in 2017 to \$ Nil in the current quarter.

Administration costs increased to \$155,449 in the period ended May 31, 2018 \$104,466 for a similar period in 2017. The difference is due of the loss on the sale of marketable securities, an increase in licenses, fees and other to \$15,522 from \$7,878 on May 31, 2017. Amounts due to directors, shareholders and related parties are \$2,400 at May 31, 2018 compared to amounts advanced of \$11,275 on May 31, 2017.

Acquisition costs and exploration expenditures relating to mineral properties are written off as incurred. Payments received for exploration rights on the Company's mineral properties are treated as cost recoveries and are credited to reduce the cost of exploration expenditures related to the mineral claims with any excess, on an aggregate basis, recorded as income. Option payments are recorded as incurred. Ongoing reclamation and site restoration costs including site care and maintenance are expensed when incurred.

The Company had a working capital of \$999,124 on May 31, 2018 and has accumulated losses of \$16,334,350.

Since inception, the Company has been successful in funding its operations and at May 31, 2018 had net issued shares of 15,054,433 for net proceeds of \$14,923,092 averaging \$0.99 per share. New Nadina shares last traded at \$0.165 on July 26, 2018.

There has been no change in the nature of or manner neither in which business is conducted nor in business conditions which would affect the Company's financial results.

### **Risks**

The Company is engaged in the exploration, development and exploitation of mineral resources for base metals, precious metals and diamonds. The properties of the Company are without a known body of commercial ore. The exploration programs undertaken and proposed constitute an exploratory search and there is no assurance that the Company will be successful in its search. The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in a profitable commercial mining operation. The amounts shown as property acquisition costs represent acquisition and holding cost, less amounts written off, and do not necessarily represent present or future values.

### **Management changes during the period**

The Annual General Meeting of the Company was held on January 22, 2018. Announced results (NR Jan 24, 2018). The board of directors and the officers are as follows: Ellen Clements, President and CEO, William Meyer and David Huck are directors and the CFO and Secretary is Arlene Ashton.

### **Financing Activities and Stock Options**

Announced (NR June 12, 2017) - Company granted 775,000 stock options under the Company's incentive stock option plan to directors and employees of the company at an exercise price of \$0.09 for a period of 5 years of which there are 200,000 remaining unexercised and expiring June 11, 2022.

Two private placements were completed during the period – see full details in below section “**Outstanding share data**”.

Announced (NR May 24, 2018) - Company granted 900,000 stock options under the Company's incentive stock option plan to directors and employees of the company at an exercise price of \$0.18 for a period of 5 years, expiring May 23, 2023.

### **Liquidity**

The financial statements for the period ended May 31, 2018 have been prepared on the basis of accounting principles applicable to a going concern. This assumes that New Nadina will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. New Nadina has incurred operating losses over the last several fiscal years, has limited financial resources, no source of operating cash flow and no assurances that sufficient funding, including adequate financing, will be available to further explore its mineral property projects and to cover the overhead costs necessary to maintain a public company in good standing. At May 31, 2018, New Nadina had a current working capital of \$999,124 compared to working capital of \$420,985 at August 31, 2017.

### **Critical accounting estimates**

The Company capitalizes all costs relating to the acquisition, exploration and development of its mineral properties. Should commercial production commence, the cost will be amortized. When a property is abandoned or when there is indication of impairment, all related costs are charged to operations. The Company compares the carrying value of its property, plant and equipment to estimated net recoverable amounts. Should the assets' carrying value exceed their estimated recoverable amount, all amounts related to the impairment are charged to operations.

The Company's financial assets and liabilities are cash and cash equivalents, receivables, reclamation bond, tax credits recoverable and accounts payable and accrued liabilities. The fair values of these financial instruments are estimated to be their carrying values due to their short-term nature. Neither reported value of fee simple holdings (surface tenure approximately 100 acres) nor any timber value has been recorded on the balance sheet.

CICA Handbook section 3870 Stock-Based Compensation and Other Stock-Based Payments establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock based payments made in exchange for goods and services. Compensation expense is determined using Black-Scholes Option Pricing Model based on estimated fair values of all stock-based awards at the date of grant and is expensed to operations over each award's vesting period.

The Black-Scholes Option Pricing Model utilizes subjective assumptions such as expected stock price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

**Off-balance sheet arrangements**

The Company has no off-balance sheet arrangements.

**Additional Disclosure for Venture Issuers without Significant Revenue**

Additional disclosure concerning New Nadina's general and administrative expenses and resource property costs is provided in the Company's Statement of Loss and Deficit and the Schedule of Resources Property Costs contained in its Audited Financial Statements for August 31, 2016 available on its SEDAR page at [www.sedar.com](http://www.sedar.com)

**Transactions with Related Parties**

Related party transactions are negotiated in the best interest of the Company at arms length basis market terms and are detailed in Note 8 of the Financial Statements.

Directors, excluding the President, are paid \$200 per month to offset expenses incurred in conducting company affairs.

Foxy Creek Services Ltd ("Foxy") is wholly owned by the president of the Company, owns the office building where both administration and exploration activities are conducted and acts as the exploration project operator. Under the office rental agreement Foxy receives \$1,200/month. As project operator equipment supplied, supplies reimbursed and management fees are charged at exploration projects.

Amounts owing to directors, shareholders and related parties at May 31 2018 total \$2,400 (2017 - \$9,246) comprised of \$2,400 current and \$Nil long term.

These transactions were recorded at the exchange amount, being the consideration established and agreed to by the related parties and are on terms and conditions similar to non-related entities.

For the period the Company incurred the following expenses with related parties.

	<u>May 31, 2018</u>	<u>May 31, 2017</u>
Directors – for expense reimbursement related to consulting and management	\$ 4,200	\$ 3,000
Charged by the President for exploration expenses, vehicle and equipment provided	30,575	-
Charged by Foxy Creek Services Ltd. for office rent, equipment rental and exploration services	62,730	7,200
	<u>\$ 97,505</u>	<u>\$ 10,200</u>

All related party transactions are recorded at the value agreed upon by the Company and the related party. Other than listed below, the amounts due from and due to related parties are non-interest bearing, unsecured, and have no stated terms of repayment.

On June 24, 2016 the Company issued 1,427,000 common shares for settlement of outstanding \$142,700 debt of which 868,240 common shares for \$86,824 debt was to related parties, see further details under "Outstanding share data" below.

**Changes in Accounting Policies**

The financial statements for the period ended May 31, 2018 followed the same accounting policies and methods of application used in the previous period presentation.

**Investor relations**

On July 24, 2017, subject to TSX approval, New Nadina contracted the services of Coal Harbor Communications Inc. to provide Investor Relation services at \$3,000 per month for six months. At November 30, 2017 the contract expired.

**Financial Instruments and Other Instruments**

The Company's financial instruments consist of cash and cash equivalents, other amounts receivable, marketable securities, accounts payable and shareholders' and directors' loans. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

**Outstanding share data**

There were no shares issued during the year ended August 31, 2017.

	<u>Shares issued</u>
Issued Shares as at September 1, 2015	84,486,568
Nov. 6, 2015 issued for acquisition of Kettle River Resources Ltd.	27,716,711
	<u>112,203,279</u>
Share consolidation 10 for 1 See 7(b) terms of share consolidation March 4, 2016 New issued shares:	11,220,433
April 28, 2016 Shares issued for Debt at \$0.10	1,427,000
<b>Issued Shares as at August 31, 2017</b>	<b>12,647,433</b>
Shares issued- private placement at \$0.08	<b>1,287,500</b>
Shares issued through exercise of options \$0.09	<b>450,000</b>
Shares issued through warrants exercised \$0.12	<b>225,000</b>
Shares issued through exercise of options \$1.00	<b>25,000</b>
Shares issued- private placement at \$3.80	<b>150,000</b>
Shares issued- private placement at \$3.75	<b>144,500</b>
Shares issued through exercise of options \$0.09	<b>125,000</b>
<b>Issued Shares as at May 31, 2018</b>	<b>15,054,433</b>

**During the reporting period, common shares were issued as per above and details below.**

During the period ending Nov 30, 2015, 27,716,711 common shares were issued at a deemed value of \$0.01 whereby New Nadina acquired a 100% ownership interest in Kettle River Resources Ltd. This value, based on the closing price (TSX-V) of New Nadina common shares on Aug 18, 2015, was the value when Kettle River shareholders exchanged their shares for those of New Nadina.

Announced (NR March 4, 2016) the Board of Directors and TSX approved a share consolidation on a basis of ten (10) old shares (112,203,279) for one (1) new share (after roll back total shares issued 11,220,433).

The Company entered into Shares for Debt (NR April 28, 2016) agreements with creditors to reduce \$142,700 debt by issuing 1,427,000 shares at a price of \$0.10 per share. Approval was received from the TSX on June 1, 2016 and shares issued June 24, 2016.

Announced (NR June 20, 2017) a non-brokered private placement initially of 6,000,000 units at a price of \$0.08 cents per unit for gross proceeds of \$480,000. Completed (NR Oct 27, 2017) whereby the Company raised gross proceeds of \$103,000 through the issuance of 1,287,500 units at a price of \$0.08 per unit. The units comprise of one common share and a full share purchase warrant, exercisable for a period of five years at a price of \$0.12 per share subject to terms.

Announced (NR Nov 13, 2017) and completed a private placement (NR Dec 13, 2017) whereby the Company raised gross proceeds of \$1,111,875 through the issuance of 150,000 flow-through common shares (the "FT shares") at a price of \$3.80 per FT share and 144,500 non-flow-through units (the "NFT units") at a price of \$3.75 per NFT unit. Each NFT unit is comprised of one non-flow-through common share and one half share purchase warrant. Each whole warrant is exercisable into an additional non-flow through common share at a price of \$4.25 for a period of 2 years from grant.

- In connection with the issuance of the FT shares, the Company issued 9,001 broker warrants with each broker warrant being exercisable into a NFT share at a price of \$3.80 for a period of 2 years from issuance, and paid a cash commission of \$34,200.
- Finders' fees of \$15,413 were paid in connection with the NFT unit portion of the financing.

Shares issuable under Warrants	2018		2017	
	Number of Warrants	Weighted Price \$	Number of Warrants	Weighted Price \$
Opening balance	-		-	
Issued – Sept 25, 2017	1,287,500	0.12	-	
Exercised at \$0.12	(225,000)	0.12	-	
Issued – expire Dec. 2019	72,250	4.25	-	
Issued – broker warrants – expire Dec. 2019	9,001	3.80	-	
<b>Closing balance to May 31, 2018</b>	<b>1,143,751</b>	<b>0.41</b>	-	
<b>Weighted average years to expiry</b>	<b>4.12</b>		-	

See private placement information in above “**Shares Issued**” for details on warrants issued.

Shares issuable under stock option	2018		2017	
	Number of Options	Weighted Price \$	Number of Options	Weighted Price \$
Opening balance	250,000	1.00	465,000	1.20
Granted June 2016	775,000	0.09	-	
Exercised at \$0.09	(575,000)	0.09	-	
Exercised at \$1.00	(25,000)	1.00	-	
Expired	(225,000)	1.00	(215,000)	1.50
Granted May 2018	900,000	0.18	-	
<b>Closing balance to May 31, 2018</b>	<b>1,100,000</b>	<b>0.1636</b>	250,000	1.00
<b>Weighted average years to expiry</b>	<b>4.81</b>		0.46	

As of May 31, 2018, all 900,000 shares issuable have vested (2017 – 250,000). On May 31, 2018 the weighted average remaining contractual life of stock options is 4.81 years (2017 – 0.46 years) and the weighted average exercise price is \$0.1636 (2017 - \$1.00).

\*\*\* Announced (NR June 12, 2017) - Company granted 775,000 stock options to directors and employees of the company under the Company's incentive stock option plan at an exercise price of \$0.09 for a period of 5 years.

As at July 26, 2018 the Company had 15,054,433 common shares outstanding. In addition, the Company had stock options to purchase up to an aggregate of 1,100,000 [200,000 common shares at an exercise price of \$0.09, which expire on June 28, 2022 and 900,000 common shares at an exercise price of \$0.18, which expire on May 23, 2023].

The Company's authorized share capital consists of an unlimited number of common shares without par value.

#### **Disclosure controls and procedures**

As required by National Instrument 52-109, management is responsible for the design, establishment and maintenance of disclosure controls and procedures over the public disclosure of financial and non-financial information regarding the Company and internal ability of its financial reporting to provide reasonable assurance regarding the integrity of the Company's financial information and reliability of its financial reporting. Management maintains appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete and reliable.



The Company's Management, with the participation and under the supervision of its Chief Executive Officer (CEO) and Chief Financial Officer (CFO), have designed the disclosure controls and procedures to provide reasonable assurance that material information relating to the Company, is made known to them on a timely basis; and designed internal control over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting.

An evaluation of the effectiveness of the Company's disclosure controls and procedures was conducted as of January 31, 2009. Based on the results of that evaluation, the Company's CEO and CFO have concluded that as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective in providing reasonable assurance that the material information relating to the Company was made known to them on a timely basis and was processed and disclosed within the appropriate reports and time periods. The Company's Management believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met. Due to inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. Accordingly, because of inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

There has been no change in the Company's internal control over financial reporting during the quarter ended February 28, 2018 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. However, the lack of segregation of duties between the management and Board of Directors consisting of the same parties creates the potential for the possibility of material weakness.

#### **Approval**

The Board of Directors of New Nadina has approved the disclosure contained in this report. A copy of this MD&A will be provided to anyone who requests it. Financial Statements of the Company are available on their website (under "Investors") and at [www.sedar.com](http://www.sedar.com).

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