



MARITIME RESOURCES

MARITIME RESOURCES CORP.

MANAGEMENT DISCUSSION AND ANALYSIS
For the years ended December 31, 2018 and 2017
(Expressed in Canadian dollars)



This Management's Discussion and Analysis ("MD&A") of Maritime Resources Corp. ("Maritime" or the "Company") is dated April 26, 2019 and provides an analysis of our audited financial results for the years ended December 31, 2018 and 2017. This MD&A should be read in conjunction with Maritime's audited financial statements and notes thereto for the years ended December 31, 2018 and 2017 (the "Financial Statements"), which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), available on www.sedar.com. This MD&A contains forward-looking statements that are based on management's current expectations, are not historical in nature and involve risks and uncertainties. Forward-looking statements are not guarantees as to Maritime's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in forward-looking statements (please see "Cautionary Note Regarding Forward-Looking Information" below). The Company's common shares trade on the Toronto Venture Stock Exchange (the "TSX-V") under the stock trading symbol MAE. Additional information relevant to the Company's activities, including the Company's audited financial statements, can be found at www.sedar.com or the Company's website at www.maritimeresources.com.

Maritime is a Canadian-based junior gold and base metals exploration company focused on re-starting the past producing Hammerdown gold mine, located near the Baie Verte Mining District and Springdale in Newfoundland and Labrador as well as exploration on its other properties in the region. Maritime holds a 100% interest in the Green Bay Property, which hosts the former Hammerdown gold mine including resource estimates on two gold deposits, the Hammerdown and the Orion deposits, separated by a 1.5 km distance.

2018 AND RECENT HIGHLIGHTS

- The 2019 infill diamond drilling has commenced at the Hammerdown mine site; approximately 3,000 metres of drilling is planned in 19 drill holes.
- In April 2019, completed a non-brokered private placement for aggregate gross proceeds of \$6,092,500, considered sufficient to carry out Maritime's 2019 plan (see 2019 Outlook section below).
- On February 25, 2019, announced high-grade results from its inaugural 650 metre drilling program at the Whisker Valley gold exploration project which commenced in late 2018.
- Completed a 1,733 metre drilling program at Hammerdown in 31 drill holes, during 2018, immediately south of the historical open pit mining area with the goal of outlining a new mineral resource that could potentially be evaluated as a start-up open pit mining operation.
- Entered into an option agreement that extends the Hammerdown, Green Bay Property by over 3,225 hectares.
- In February 2019, announced the appointment Mr. Garrett Macdonald as President and Chief Executive Officer, Ms. Germaine Coombs as Chief Financial Officer and Ms. Lorna MacGillivray as Corporate Secretary.
- In November 2018 and February 2019, announced changes to the Board of Directors; the Company moves forward with Mr. John Hayes as Chairman, and Messrs. Mark Ashcroft, Peter Mercer and Garrett Macdonald being the other members of the Board.

2019 OUTLOOK

Re-starting the Hammerdown Gold Mine

2019 is a critical year for Maritime as it will focus its efforts to advance the Hammerdown gold project towards a production decision. During the first half of 2019, Maritime will investigate the potential for a lower capital, higher margin and higher return project design at Hammerdown that will include a greater emphasis on selective open pit mining followed by underground mining. We anticipate that the capital costs for such a project could be kept to a minimum and that the starter pit approach would allow for quicker access to the near vertical, high-grade veins. The key to success for this approach is developing a detailed mine production schedule and completing further investigations and trade-off analyses for milling at Nugget Pond or a stand-alone process plant at Hammerdown.



Maritime will also continue to progress its environmental baseline studies and accelerate its engagement with the local community and regulatory agencies to support the planned feasibility study and project permitting during 2019. The final footprint of the proposed mine will be determined through various engineering studies and will endeavour to minimize all environmental impact using industry best practices.

2019 Exploration Plans

Throughout 2019, exploration spending on Maritime's projects will focus primarily on areas within the Hammerdown & Rumbullion deposits that can add value to an engineered mine plan. Maritime will target high margin areas with an infill drilling program designed to convert inferred resources into the higher confidence measured and indicated mineral categories that can be used later in a feasibility study. The Company will also focus exploration efforts on “near-deposit” targets such as the Hammerdown Offset and the Rumbullion East vein systems to grow the existing resource base.

Outside of the main Hammerdown/Rumbullion deposit areas Maritime will continue with its exploration work at the new Whisker Valley project.

OVERVIEW

The Company is a gold and base metals exploration company with a focus on Canadian mining opportunities with advanced exploration assets in Newfoundland and Labrador, Canada. Maritime holds a 100% interest in the Green Bay Property, including the former Hammerdown gold mine, located near the Baie Verte Mining District and Springdale, Newfoundland and Labrador. Maritime also has a number of highly prospective gold exploration projects including the Green Bay, Whisker Valley and Gull Ridge properties, strategically located on the Baie Verte and Springdale Peninsulas; a prolific gold and base metals mining district.

Hammerdown contains measured and indicated mineral resources of 925,670 tonnes grading 10.6 grams per tonne (“g/t”) for 315,535 ounces of gold and inferred mineral resources of 1,557,000 tonnes grading 7.53 g/t for 377,000 ounces of gold. The Orion deposit contains measured and indicated mineral resources of 1,096,500 tonnes grading 4.47 g/t for 157,600 ounces of gold and inferred mineral resources of 1,288,000 tonnes grading 5.44 g/t for 225,300 ounces.

CIM definition standards were followed for the mineral resource estimate. The mineral resource models used Ordinary Kriging grade estimation within a three-dimensional block model with mineralized zones defined by wireframed solids. A cut-off grade of 3.0 g/t gold (“Au”) over 1.2 meters was used for reporting mineral resources with capping of gold grades at 125 g/t Au at Hammerdown and 50 g/t Au at Orion. A specific gravity of 2.84 was applied. For additional information relating to the Hammerdown gold project, including the Orion deposit, refer to the NI 43-101 technical report entitled “Pre-Feasibility Study Technical Report, Green Bay Property” with an effective date of March 2, 2017, which is available on the Company’s profile at www.sedar.com.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource estimates do not account for mineability, selectivity, mining loss and dilution. These mineral resource estimates include inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that these inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied.

Exploration activities are administered on site by the Company’s Project Manager, NL Properties, Larry Pilgrim, P.Geo. In accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects, B. H. Kahlert, P.Eng. Vice President Exploration, is the Qualified Person for the Company and has prepared, validated and approved the technical and scientific content of this MD&A. The Company strictly adheres to CIM Best Practices Guidelines in conducting, documenting, and reporting its exploration activities on its exploration projects.



The Hammerdown gold deposit was successfully mined by Richmond Mines between 2000 and 2004 when gold prices averaged US\$325/oz. During its operation, a total of 291,400 tonnes of ore were extracted, at an average grade of 15.83 g/t Au, recovering a total of 143,000 ounces of gold at an 8 g/t cut-off. All of the ore was processed at the Nugget Pond mill, now owned and operated by Rambler Metals and Mining Canada Limited, with an average gold recovery of 97.1%. Mining terminated in 2004 due to low gold prices with extensive gold mineralization remaining, although uneconomic at that time. The Orion gold deposit consists of two main vein systems, both of which are exposed on surface and open along strike, and down plunge to the northeast.

The Company also has entered into four option to purchase agreements for projects within 10 kilometers of its Hammerdown project. In the Whisker Valley area there are three separate option agreements where the Company can earn 100% interest in approximately 52 square kilometers and adjoining the Hammerdown project. The King's Point property is made up of two separate claim blocks consisting of a total of 129 claim units covering over 3,225 hectares.

The Whisker Valley properties are earlier stage exploration targets that have returned excellent results from the first phase trenching and geophysical programs carried out in late 2017 and the first two quarters of 2018. During the fourth quarter of 2018, the Company completed a first stage drill program of approximately 650 metres to follow up on the success of the early stage programs.

On April 12, 2019, the Company announced that it closed a non-brokered private placement raising aggregate gross proceeds of \$6,092,500 through the issuance of a combination of units (the "Units") at a price of \$0.10 per Unit and flow-through units (the "FT Units") at a price of \$0.12 per FT Unit (the "Offering"). The Company issued a total of 56,896,662 Units and FT Units; 36,755,000 Units and 20,141,662 FT Units. Each unit consists of one common share and one-half (1/2) of one transferable common share purchase warrant that entitles the holder to acquire one common share of the Company at a price of \$0.15 per common share for a period of 24 months following the closing date of the Offering. The Company has agreed to pay aggregate finders' and advisory fees of 7% in cash or units of the gross sales of Units and FT Units and issued 7% finders' warrants of the number of Units and FT Units sold by certain brokers in the Offering. The finders' and advisory fees amounted to an aggregate of \$412,909 and 3,863,294 finders' warrants, including \$156,532 and 1,563,273 finders' warrants to Dundee Goodman Merchant Partners, a division of Goodman & Company, Investment Counsel Inc. As an advisor, Sprott Capital Partners LP received \$156,532 and 1,563,273 finders' warrants, and for certain orders, received finders' fees in the aggregate of \$11,995, for services related to its engagement. Following the financing, Dundee Corporation's wholly owned subsidiary, Dundee Resources Limited now owns 36,932,036 shares of Maritime, representing an approximate 19.54% interest.

EXPLORATION

Maritime's Green Bay, Whisker Valley and Gull Ridge properties straddle two major fault systems, the Baie Verte Fault Line and the Green Bay Fault. It is believed that these regional fault structures and closely related splay faults played a significant role in the formation of these gold deposits. The properties are strategically located to target the gold potential along this significant regional structural belt (BVL), that has juxtaposed a wide variety of rock types originating from a variety depositional environment. This structural zone has geological and structural similarities to the world-class gold producing Destor-Porcupine and Cadillac-Larder Lake Gold Camps of Ontario and Québec. Both of these regional breaks are located in the Abitibi Greenstone Belt and have produced over 180 million ounces of gold since the early 1900's. Similarities of this gold productive region to Maritime's Springdale – Baie Verte Peninsula properties include: association with a regional deep crustal fault zone and important conduits for gold bearing fluids; gold mineralization is epigenetic, structurally-controlled and often associated with splays or secondary structures off regional-scale fault zones; and gold mineralization occurs in a wide range of rock types, and styles.

Maritime's exploration to date on its Green Bay and Whisker Valley projects has recognized the importance of these large-scale regional structures as the conduits for the localization and transport of mineralizing fluids and the



secondary splay structures as a depositional environment for these gold rich fluids. This mineralizing system has been productive and formed the Hammerdown Mine gold deposit where high-grade gold and significant widths have been demonstrated. Between 2000 - 2004 Richmond Mines produced a total of 143,000 ounces from 291,400 tonnes of ore at a grade of 15.83 g/t Au. Similarities have also been recognized between the mineralization at Hammerdown with the gold mineralization discovered on Maritime's adjacent Whisker Valley property.

The results achieved to date on the Whisker Valley and Gull Ridge properties have been very encouraging. In 2019, Maritime has an extensive exploration plan in place, focusing on advancing major gold targets identified to date and regional property wide exploration to identify targets that may have been missed as a result of the localized and sporadic nature of the historical work. The 2019 program will entail geological and structural mapping, sampling, ground geophysics, trenching and diamond drilling. Work will commence in late April 2019 with a 1,000-line kilometer airborne geophysical survey covering Maritime's entire Whisker Valley and Gull Ridge properties.

Green Bay Project

Maritime's Green Bay property in central Newfoundland and Labrador hosts the Company's gold and base metal deposits. The recently closed (2004) Hammerdown Mine includes the adjacent Rumbullion and Muddy Shag Gold deposits. The Orion Gold deposit is situated 1.5 kilometers to the Southwest and the Lochinvar base-precious metal VMS deposit is located 1 kilometer East of Hammerdown.

The main Hammerdown deposit is cut off by a major fault and geological interpretations currently favour that part of the deposit has been offset at depth. An exploration model is being developed to test for the extension of this deposit. The Rumbullion vein system extends for 800 metres to the northeast of the current deposit area and represents a further opportunity to add new, shallow resources into the Hammerdown resource base. Recent optioning of the adjacent Inomin Resources property has added further potential extension to the Rumbullion trend.

Hammerdown 2018 Drilling Program on the J, K and L Veins

The Company completed 1,733 meters of drilling in 31 drill holes immediately south of the historical open pit mining area. The program was designed to follow up on the unmined J, K L and M3 gold rich quartz/sulphide vein system that was outlined from a surface trenching program late 2017 and to test the mineralization in the top 30 meters below surface. The goal of the program was to outline a new mineral resource that could potentially be evaluated as a start-up open pit mining operation. During start-up of the original Hammerdown Mine in 2000, Richmond produced approximately 8,500 ounces from the small open pit over a period of just four months before commencing underground operations.

Drill core assays from the Phase 1 diamond drill hole program reported over 100 significant gold assay intercepts in the area immediately southwest and south of the historical open pit mining. A number of the previously designated gold vein zones were intersected in the 2018 program including the J, K, L and M3 vein system. The drilling also identified lower grade zones (1 to 5 g/t Au assays) newly designated as the SFV (sheared felsic volcanic) and QFP (quartz feldspar porphyry) which were not adequately sampled and assayed during the historical exploration and mining period. This newly identified lower grade mineralization is close enough to surface to be captured into a new open pit shell or smaller satellite shell.

The Phase 1 drill hole collars were surveyed and brought into the Company's 3D software to evaluate the continuity of zones. These results will be compiled along with the all the available historical drilling data in the area to determine if these new shapes can be used to establish a resource/ reserve as an open pit shell design.

To date, over 21 gold bearing veins and mineralized zones have been drill tested at Hammerdown of which only ten of these veins were partially mined by the previous operators.



Table 1. Significant Drill Hole Intersections -- Hammerdown 2018 Drilling Program on the J, K and L Veins

Vein/Zone	Drill Hole	From	To	Width m	Au (g/t)
K1 Zone	MP-18-31	22.85	23.88	1.03	6.66
	Includes	22.85	23.21	0.36	13.79
K2 Zone	MP-18-31	26.75	29.00	2.25	2.11
K3 Zone	MP-18-31	36.20	37.72	1.52	2.78
K1 Zone	MP-18-34	29.83	31.03	1.20	3.12
	Includes	30.33	30.53	0.20	18.20
K1 Zone	MP-18-36	73.11	74.07	0.96	2.96
SFV	MP-18-37	16.07	17.84	1.77	1.77
K1 Vein	MP-18-39	68.50	69.70	1.20	10.95
	Includes	69.00	69.20	0.20	54.32
K2 Vein	MP-18-42	12.20	13.64	1.44	27.20
	Includes	12.70	13.14	0.44	88.60
K3 Vein	MP-18-42	14.53	16.29	1.76	3.87
	Includes	14.53	15.03	0.50	9.84
SFV	MP-18-44	41.22	42.58	1.36	1.99
SFV	MP-18-46	21.00	22.00	1.00	2.21
QzPy Vein	MP-18-47	12.59	14.11	1.52	3.36
	Includes	13.19	13.61	0.42	11.89

New Property Acquisition

During the third quarter of 2018, the Company finalized an Option to Purchase Agreement with Inomin Mines Inc. to earn a 100% interest in the King's Point Property. The claims cover geological extensions to the Company's Hammerdown Gold deposit that host a number of high-grade gold veins and base metal occurrences. The King's Point Property is made up of two separate claim blocks consisting of a total of 129 claim units covering over 3,225 hectares.

The northern claim block is located within only 2 km of the Hammerdown Gold Deposit. This property covers known extensions of the gold bearing deformation zone that host the Hammerdown and Orion deposits including several narrow gold vein intercepts within the Golden Anchor prospect. These veins are similar to the Hammerdown veins with historic samples assaying up to 3 g/t Au and have never been followed up. Under the terms of the agreement Maritime will earn 100% interest in the Inomin property over a 3-year period by spending



\$600,000 making cash payments totaling \$300,000 and issuing 2,000,000 shares of Maritime in accordance with the following schedule:

	Cash \$	Common shares #	Minimum required exploration expenditure \$
Upon approval	25,000 (paid)	500,000 (issued)	-
September 17, 2019	50,000	500,000	75,000
September 17, 2020	100,000	500,000	150,000
September 17, 2021	125,000	500,000	375,000
	300,000	2,000,000	600,000

During the fourth quarter of 2018, the Company began surface work on the King's Point Property, mainly prospecting, geochemical sampling and mapping on both the historical target as well as new areas.

Whisker Valley Project

The work that was carried out on the Whisker Valley project during the fall of 2017 identified three sub-parallel vein systems that now extend for over 200 metres. The high-grade nature of the veins has been encountered over the entire 200 metres of exposed trenches and is open in both directions.

Whisker Valley is characterized by a series of 3 sulphide bearing quartz veins containing high grade gold (Gary, Ben and Jackson) that have been trenched and sampled over a 200 metre strike length (see press release dated January 22, 2018). The similarities to Hammerdown are very evident, even at this early stage of exploration. Whisker Valley is located approximately 10 km north of Hammerdown. A 2018 geophysical survey extended the possible strike extent to 500 metres. (See press release dated September 26, 2018.)

Table 2. Significant Drill Hole Intersections -- Whisker Valley December 2018 Drill Program

Vein/Zone	Drill Hole	From (m)	To (m)	Width (m)	Au (g/t)
Gary	WH-18-01	83.50	84.49	0.99	1.69
	WH-18-01	93.45	96.64	3.19	3.16
	WH-18-01	98.30	98.50	0.20	2.65
Jackson	WH-18-02	82.80	83.60	0.80	4.08
	WH-18-02	85.41	85.70	0.29	15.18
Ben	WH-18-03	32.07	32.19	0.12	3.05
	WH-18-03	33.89	34.09	0.20	1.52
	WH-18-03	45.10	46.07	0.97	16.04
	Including	45.67	46.07	0.40	36.61
Gary	WH-18-04	42.30	42.55	0.25	5.54
	WH-18-04	73.37	73.70	0.33	24.06

Ben Vein

As previously released (press release dated November 29, 2017), the Ben vein has been exposed over a strike length of 90 metres and remains open in both directions. Results from the most westerly portion of the Ben 1 vein



as returned a weighted average grade of 31 metres of 7.57 g/t Au over an average width of 1.31 metres. The Ben 2 vein as previously released returned a weighted average grade of over the 31 metres grading 13.42 g/t Au over an average width of 1.09 metres. These are parallel veins that sit approximately 2 metres apart at the western end of the exposed system. The most recent assays of the easterly extension of the Ben 2 vein has returned composited grades of 4.25 g/t Au over a strike length of 13.00 metres, 2.02 g/t Au over a strike length of 22.50 metres, 4.7g/t Au over a strike length of 5 metres, as well as, 1.34 g/t Au over a strike length of 17.50 metres.

Jackson Vein

As previously released (press release dated January 22, 2018), the Jackson Vein has been mapped over a total strike length of 84 metres with composited results from the most easterly 34 metre section of the vein returning a weighted average grade of 13.66 g/t Au with an average vein width of 1.23 metres. The most recent assays of the westerly extension of the Jackson Vein 2 Vein has returned composited grades of 10.22 g/t Au over a strike length of 23.75 metres, as well as 3.59 g/t Au over a strike length of 26.25 metres as outlined in the table above. Significant to note as well are the occurrence of mineralized tension gash veins/alteration in the immediate hanging wall and footwall to the Jackson Vein. Assays from several tension gash/alteration returned 15.73 g/t Au over 0.30 metres, 3.78 g/t Au over 0.36 metres as well as 20.38 g/t Au over 0.15 metres.

Gary Vein

The Gary Vein is located on the most easterly exposed portion of the vein system discovered during the trenching program last fall. The vein is represented by a robust gold base metal bearing quartz vein, containing localized occurrences of galena, pyrite and chalcopyrite and visible gold hosted in altered granitic rocks. The Gary Vein has now been mapped over a strike length of 28 metres and remains open in both directions. Results from the channel samples returned a weighted average grade of 16.61 g/t Au with an average vein width of 0.91 metres over a projected calculated sample strike length of 38 metres. The most easterly sample returned grades of 25.67 g/t Au with the most westerly sample returning grades of 42.91 g/t Au. Further trenching will be conducted in the spring of 2019 after the completion of the planned drill program this winter.

Whisker Valley Geophysical Program

A detailed Induced Polarization (IP) program was completed at Whisker Valley in March of 2018. Approximately 15-line kilometers of surveying was completed on 50 metre spaced lines over the new Whisker Valley vein system which has outlined a series of high-grade gold veins as recently reported by Maritime. The gold veins carry disseminated pyrite and base metals sulphides which are detectable by the IP geophysical method. The 2018 IP Survey was designed to test the depth potential of the known vein system as well as search for extensions to the east and west ends of the veins. The last vein exposures at the east and west ends were channel sampled returning high-grade gold assay results exceeding 10 g/t Au on the west end and 20 g/t Au on the east end. The gold veins carry with it disseminated pyrite and base metals sulphides which are detectable by the IP geophysical method. The detailed IP program was completed in February and March 2018 and covered approximately 10-line kilometers on 50 metre spaced lines.

Interpretation of the IP Survey by consulting Geophysicist Cliff Candy, P.Geo., of Frontier Geosciences, outlined four significant anomalous responses in the survey area. The IP survey returned a strong positive response over a continuous 500 metre target area. In addition, the survey demonstrated anomalous values over the entire length of the vein system and further extends the target area 200 metres to the east and 100 metres to the west.

The geophysical anomalies generally show increasing in strength with depth, indicating increasing sulphides in deeper portions of the veins. The strongest IP response is over the 50 metres long Gary vein and extends for further 150 metres to the east, likely due to the presence of sulphides which is associated with gold at the Gary vein.

**Whisker Valley Option Agreements**

On February 27, 2017, the Company entered into an agreement to acquire a 100% interest in the Whisker Valley property in the Baie Verte mining district of Newfoundland and Labrador, Canada, under the following terms:

	Cash \$	Common shares #	Minimum required exploration expenditure \$
Upon approval	25,000 (paid)	100,000 (issued)	-
March 22, 2018	20,000 (paid)	150,000 (issued)	100,000 (incurred)
March 22, 2019 ⁽¹⁾	30,000	200,000	250,000
March 22, 2020	50,000	250,000	300,000
March 22, 2021	75,000	300,000	500,000
March 22, 2022	100,000	500,000	500,000
	300,000	1,500,000	1,650,000

⁽¹⁾ Subsequent to the end of the period, on or before March 22, 2019, the Company made the second anniversary payment in cash and shares as per the Whisker Valley option agreement.

The Company is required to make an additional payment to the optionors of \$50,000 on each of the first, second and third anniversary upon full exercise of its option having issued all of the payments and shares and incurred all of the expenditures. The property is subject to a 2.5 % NSR, of which 1% can be purchased for \$1,000,000 on or before the end of the second anniversary of commencement of commercial production.

On November 16, 2017, the Company further expanded the Whisker Valley project by entering into an agreement to acquire 100% interest in the El Strato property in Newfoundland and Labrador, Canada (contiguous to Whisker Valley), under the following terms:

	Cash \$	Common shares #
Upon approval	5,000 (paid)	250,000 (issued)
November 23, 2018	10,000 (paid)	250,000 (issued)
November 23, 2019	25,000	250,000
	40,000	750,000

On December 1, 2017, the Company also added to the Whisker Valley project by entering into an agreement to acquire 100% interest in the Strugglers Pond property in Newfoundland and Labrador, Canada (contiguous to Whisker Valley), under the following terms:

	Cash \$	Common shares #	Minimum required exploration expenditure \$
Upon approval	2,000 (paid)	10,000 (issued)	5,000 (incurred)
December 27, 2018	3,000 (paid)	15,000 (issued)	25,000 (incurred)
December 27, 2019	10,000	25,000	50,000
December 27, 2020	15,000	50,000	120,000
	30,000	100,000	200,000

Both the El Strato and Strugglers Pond properties are subject to separate 2% NSR royalties, of which 1% can be purchased for \$1,000,000 on or before the end of the second anniversary of commercial production.

**FINANCIAL POSITION****Cash**

Cash totaled \$2,359,066 as at December 31, 2018, compared to \$387,117 as at December 31, 2017.

Receivables

Receivables of \$40,953 as at December 31, 2018 (2017 – \$35,789) related mainly to input sales tax.

Mineral properties

Expenditures incurred on the Company's 100% owned Green Bay Property and Whisker Valley Property, follow:

	Green Bay \$	Whisker Valley \$	Total \$
Balance, December 31, 2016	5,826,365	-	5,826,365
Acquisition costs - cash	-	32,000	32,000
Acquisition costs - shares	-	37,400	37,400
Exploration expenses:			
Geology and engineering	461,941	145,068	607,009
Geochemistry	10,776	-	10,776
Property	65,325	4,280	69,605
Geophysics	42,098	-	42,098
Other	8,728	-	8,728
	588,868	218,748	807,616
Less: Recoveries and grants	(164,377)	-	(164,377)
Net additions	424,491	218,748	643,239
Balance, December 31, 2017	6,250,856	218,748	6,469,604
Acquisition costs - cash	25,000	48,000	73,000
Acquisition costs - shares	45,000	37,700	82,700
Exploration expenses:			
Drilling	289,772	77,842	367,614
Geology and engineering	473,476	146,442	619,918
Property	55,991	585	56,576
Geophysics	11,208	47,500	58,708
Other	13,266	9,611	22,877
	913,713	367,680	1,281,393
Less: Recoveries and grants	(10,153)	-	(10,153)
Net additions	903,560	367,680	1,271,240
Balance, December 31, 2018	7,154,416	586,428	7,740,844

During the year ended December 31, 2018, the Company received \$10,153 (2017 – \$164,377) pursuant to an application made with the Newfoundland and Labrador government in respect of the Newfoundland and Labrador Mineral Incentive Junior Exploration Assistance Program (JEAP) grant for exploration conducted during fiscal 2017 and 2016, respectively.

Trade and other payables

Trade and other payables were \$121,441 as at December 31, 2018 (2017 – \$150,442).

**Loans**

2014 Loan - Pursuant to a loan of \$100,000 that bore interest at 8% per annum, the Company had accrued interest of \$30,438 owing to the lender. On December 31, 2017, \$100,000, and interest of \$30,438 was repaid.

2017 Loan - On April 25, 2017, the Company entered into a loan arrangement ("Bridge Financing Agreement") pursuant to which it received \$500,000. The Bridge Financing Agreement, which was approved by the TSX-V on April 26, 2017, provided for a maturity date of one year (the "Maturity Date"), bore interest of 8% per annum and was repayable upon earliest of: the maturity date, raising \$2,000,000 or more in equity or debt financing, or committing an event of default. In connection with the Bridge Financing Agreement, the lender received a bonus of 333,333 shares in the capital of the Company valued at \$46,667, non-transferable warrants valued at \$105,387 allowing for the purchase of up to, in the aggregate, 1,666,666 additional common shares in the capital of the Company at \$0.15 per share until April 26, 2018 and cash finders' fees of \$30,000. The effective interest rate, including bonus shares and warrants was 44%. During the year ended December 31, 2018, the Company recorded accrued interest of \$9,315 (2017 – \$27,397). On March 26, 2018, the loan of \$500,000 and related interest of \$36,712 was repaid.

Private placements and flow-through premium liability

- Pursuant to a private placement on November 7, 2018, the Company issued 25,460,900 non flow-through units ("November 2018 NFT Units") at \$0.11 per unit and 5,402,000 flow-through units ("November 2018 FT Units") at \$0.13 per unit, for gross proceeds of \$3,502,959. Each unit consisted of one flow-through common share of the Company and one-half of one common share purchase warrant, where each whole warrant entitles the holder to purchase one common share of the Company at a price of \$0.15 per warrant share expiring November 7, 2020. The flow-through shares were issued at a premium of \$108,040. The eligible flow-through expenditures will be incurred in 2019.

In connection with this private placement, the Company issued 2,152,791 finders' units. Each finders' unit is comprised of one common share and one-half (1/2) of one non-transferable warrant where each whole finders' unit warrant is exercisable to purchase one common share of the Company at a price of \$0.15 per common share for a period of 24 months expiring November 7, 2020. Also in connection with this private placement, finders' fees of 2,152,791 finders' warrants were issued and entitle the holder to purchase one common share of the Company at a price of \$0.11 per finders' warrant share for a period of 24 months expiring November 7, 2020.

The finders' unit warrants and the NFT finders' warrants were valued at \$22,344 and \$60,365, respectively, using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.90%, expected life of 1.5 years, expected volatility of 72.74% and dividend yield of 0% and recorded to share issuance costs.

- Pursuant to a private placement on July 6, 2018, the Company issued 7,600,000 non flow-through units ("July 2018 NFT Units") at \$0.10 per unit and 5,166,667 flow-through units ("July 2018 FT Units") at \$0.12 per unit, for gross proceeds of \$1,380,000. Each July 2018 FT Unit consisted of one flow-through common share of the Company and one-half of one common share purchase warrant (the "July 2018 FT Warrant"). Each whole July 2018 FT Warrant entitles the holder to purchase one common share of the Company (the "July 2018 FT Warrant Share") at a price of \$0.20 per July 2018 FT Warrant Share expiring January 6, 2020. The flow-through shares were issued at a premium of \$103,333. The Company incurred eligible exploration expenses during 2018 and accordingly, \$82,635 was recognized in the statement of loss and comprehensive loss during the year ended December 31, 2018.

Each July 2018 NFT Unit consisted of one non flow-through common share of the Company and one-half of one common share purchase warrant (the "July 2018 NFT Warrant"). Each whole July 2018 NFT Warrant entitles the holder thereof to purchase one common share of the Company (the "July 2018 NFT Warrant Share") at a price of \$0.20 per July 2018 NFT Warrant Share for expiring January 6, 2020.



In connection with this private placement, finders' fees of \$30,000 were paid and 480,000 July 2018 NFT Finders' Warrants were issued. Each July 2018 NFT Finders' Warrant entitles the holder to purchase one common share of the Company at a price of \$0.20 per share until January 6, 2020. The July 2018 NFT Finders' Warrants were valued at \$17,319 using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.90%, expected life of 1.5 years, expected volatility of 98.47% and dividend yield of 0% and recorded to share issuance costs.

- On December 15, 2017, the Company announced a non-brokered private placement of up to \$2,000,000 through the issuance of a combination of non flow-through units ("December 2017 NFT Units") at \$0.10 per Unit and flow-through units ("December 2017 FT Units") at a price of \$0.12 per December 2017 FT Unit. Each Unit consists of one common share and one-half of one common share purchase warrant ("December 2017 Warrant"). Each whole December 2017 Warrant entitles the holder to acquire one common share of the Company at a price of \$0.20 per common share for 18 months following the closing date of the private placement (the "December 2017 NFT Warrant Share").

Each December 2017 NFT Unit consisted of one non flow-through common share of the Company and one-half of one common share purchase warrant (the "December 2017 NFT Warrant"). Each whole December 2017 NFT Warrant entitles the holder thereof to purchase one common share of the Company (the "December 2017 NFT Warrant Share") at a price of \$0.20 per December 2017 NFT Warrant Share for 18 months following the closing date of the private placement. Each December 2017 FT Unit consisted of one flow-through common share of the Company and one-half of one common share purchase warrant (the "December 2017 FT Warrant"). Each whole December 2017 FT Warrant entitles the holder to purchase one common share of the Company (the "December 2017 FT Warrant Share") at a price of \$0.20 per December 2017 FT Warrant Share for 18 months following the closing date of the private placement.

The December 2017 private placement closed in 4 tranches and raised gross proceeds of \$608,000 in the first tranche during the year ended December 31, 2017 (see year ended December 31, 2017 disclosure below) and \$1,134,754 in 3 tranches in each of the January, February and March months of 2018 as follows:

Closing Date	January 11	February 15	March 21	Total
Gross Proceeds	\$326,920	\$277,834	\$530,000	\$1,134,754
FT Shares Issued	666,000	250,000	-	916,000
NFT Shares Issued	2,470,000	2,478,340	5,300,000	10,248,340
Warrants Issued	1,568,000	1,364,170	2,650,000	5,582,170
Warrant Exercise Price	\$0.20	\$0.20	\$0.20	
Warrant Expiry Date	July 11 2019	August 15 2019	September 21 2019	
Finders' Fees				
Cash	-	\$8,400	\$15,000	\$23,400
NFT Shares Issued	-	488,480	-	488,480
Warrants Issued	-	824,886	350,000	1,174,886
Exercise Price	-	\$0.20	\$0.20	
Expiry Date	-	August 15 2019	September 21 2019	

The flow-through shares, issued in the January 11 and February 15 tranches, were issued at premiums of \$13,320 and \$5,000, respectively, and were fully recognized into income during the year ended December 31, 2018.

The December 2017 NFT Unit shares issued in respect of finders' fees were valued at \$43,963. The December 2017 NFT Warrants issued in respect of finders' fees were valued at \$20,086 and \$12,227, respectively, using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.80-1.85%, expected life of



1.5 years, expected volatility of 102% and dividend yield of 0% and recorded to share issuance costs.

- On December 22, 2017, pursuant to a December 2017 private placement discussed above, the Company issued 3,125,000 December 2017 FT Units at \$0.12 per unit and 2,330,000 December 2017 NFT Units at \$0.10 per unit for proceeds of \$608,000. Each whole December 2017 FT Warrant and December 2017 NFT Warrant issued in this first tranche expire June 22, 2019. The flow-through shares related to this tranche were issued at a premium of \$62,500. During the year ended December 31, 2018, the Company incurred the required eligible flow-through expenditures and recorded \$62,500 (2017 – \$nil) in the statement of loss and comprehensive loss.

In connection with this tranche of the December 2017 private placement, finders' fees of \$26,250 were paid and 218,750 December 2017 NFT Finders' Warrants were issued and expire on June 22, 2019. The warrants were valued at \$6,459 using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.78%, expected life of 1.5 years, expected volatility of 113.71% and dividend yield of 0% and recorded to share issuance costs.

- Pursuant to a private placement on September 25, 2017, the Company issued 8,034,167 non flow-through units ("September 2017 NFT Units") at \$0.10 per unit, 1,483,334 flow-through units ("September 2017 FT Units") at \$0.15 per unit, for gross proceeds of \$1,025,917 of which \$100,000 is receivable at year end. During the year ended December 31, the Company returned 1,000,000 common shares to treasury as payment was not received. The warrants issued as part of the September 2017 NFT Units and September 2017 FT Units, expired unexercised subsequent to the end of the year on March 22, 2019.

The flow-through shares were issued at a premium of \$74,167 to that of the non flow-through shares. During the year ended December 31, 2018, the Company incurred the required eligible flow-through expenditures and recorded \$1,482 (2017 – \$72,685) in the statement of loss and comprehensive loss.

In connection with this private placement, finders' fees of \$72,850 were paid and 500,333 non flow-through finders' warrants were issued. The warrants were valued at \$26,751 using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate of 1.58%, expected life of 1.5 years, expected volatility of 113.03% and dividend yield of 0% and recorded to share issuance costs. These finders' warrants expired unexercised subsequent to the end of the year on March 22, 2019.

<i>Flow-through premium liability</i>	\$
Balance – December 31, 2016	-
Flow-through premium liability additions	136,667
Settlement of flow-through premium to income	(72,685)
Balance – December 31, 2017	63,982
Flow-through premium liability additions	229,693
Settlement of flow-through premium to income	(164,937)
Balance – December 31, 2018	128,738

Shares issuances related to property option agreements

During 2018, the Company issued 150,000 common shares valued at \$16,500 in connection with the Whisker Valley property; issued 500,000 common shares valued at \$45,000 in connection with the Inomin property; issued 250,000 common shares, valued at \$20,000, in connection with the El Strato property; and issued 15,000 common shares, valued at \$1,200, in connection with the Struggler Pond property.

During 2017, the Company issued 100,000 common shares, valued at \$14,000, in connection with the Whisker Valley property; issued 250,000 common shares, valued at \$22,500, in connection with the El Strato property; and issued 10,000 common shares, valued at \$900, in connection with the Struggler Pond property.

**Royalty units**

During fiscal 2016, the Company issued Royalty Units with a price of \$0.01 per Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. The proceeds of \$210,700 received in relation to the Royalty Units has been recorded as a Royalty Reserve within Equity.

Royalty Units will return 100% of the original investment made by the purchasers and is to be paid out of production from the Company's Green Bay project. The likelihood of the project going into production cannot be determined at this time.

Total royalties payable from the Royalty Units ("Royalty Payment") are capped at \$3,440,500 being the price for which the Equity Units (comprised of common shares and common share warrants) and Royalty Units were purchased. Royalty Payments will be made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction of all Project operating and debt servicing costs. At the option of the Company, Royalty Payments will be paid either in cash or in gold.

Hostile takeover bid

On April 13, 2018, Anaconda Mining Inc. ("Anaconda") made a formal unsolicited offer to the Company and its shareholders, to acquire all of the issued and outstanding shares of the Company. The offer contemplated the exchange of one common share of the Company for consideration of 0.39 of a common share in Anaconda. The Company engaged legal counsel, financial advisors and strategic advisors to evaluate Anaconda's offer and incurred expenditures of \$619,758 as of December 31, 2018, relating to this offer. On July 12, 2018, Anaconda withdrew their formal unsolicited offer to the Company and its shareholders.

RESULTS OF OPERATIONS

Year ended December 31	2018 \$	2017 \$	2016 \$
Expenses			
Administration	351,465	344,159	328,558
Consulting	449,270	429,079	313,946
Directors' fees	18,000	27,000	66,000
Financing expense, accretion and interest on	66,675	162,091	25,304
Investor relations and promotion	747,205	314,511	331,211
Professional fees	68,360	72,189	47,158
Professional fees – hostile takeover	619,758	-	-
Share-based payment	309,664	239,912	275,973
	(2,630,397)	(1,588,941)	(1,388,150)
Interest income	-	1,398	516
Recognition of flow-through premium liability	164,937	72,685	-
Loss and comprehensive loss for the year	(2,465,460)	(1,514,858)	(1,387,634)
Loss per share	(0.03)	(0.02)	(0.03)
Total assets	10,187,022	6,938,058	6,479,559

For the year ended December 31, 2018, the Company incurred a loss and comprehensive loss in the amount of \$2,465,460 (2017 – \$1,514,858). Expenses during the fiscal year 2018 were higher than the comparative prior year mainly due to the professional fees of \$619,758 incurred to evaluate and defend against the hostile bid for the Company, which was subsequently withdrawn July 12, 2018, as well as, investor relations expenses to promote the Company during 2018. In addition, during the year ended December 31, 2018, the Company issued 4,805,000 (2017 – 3,200,000) stock options resulting in share-based payment expenses of \$309,664 (2017 – \$239,912).



Pursuant to qualifying flow-through expenditures incurred during the year ended December 31, 2018, the flow-through premium liability was reduced by \$164,937 (2017 – \$72,685) and recorded in income as Recognition of the flow-through premium liability.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes information derived from the Company's financial statements for each of the eight most recently completed quarters.

	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31
in thousands, except per share amounts	2018	2018	2018	2018	2017	2017	2017	2017
	\$	\$	\$	\$	\$	\$	\$	\$
Net loss:								
(i) in total	(597)	(527)	(941)	(400)	(543)	(248)	(376)	(348)
(ii) per share ⁽¹⁾	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.00)	(0.01)	(0.01)
Cash	2,359	162	56	361	387	632	137	22
Exploration and evaluation	7,741	7,300	7,078	6,676	6,470	6,165	5,972	6,004
Loans	nil	nil	nil	nil	(443)	(514)	(475)	(100)
Deficit	(7,616)	(7,028)	(6,501)	(5,436)	(5,107)	(4,564)	(4,353)	(4,010)

⁽¹⁾ Fully diluted loss per share amounts are not shown as they would be anti-dilutive.

For the three months ended December 31, 2018, the Company incurred a loss and comprehensive loss in the amount of \$597,239 (2017 – \$542,917). Expenses during the fourth quarter of 2018 were in line with the comparative period of 2017. Maritime's loss in each period primarily reflects the level general and administrative expenses. Cash balances fluctuated as a result of the various financings, combined with expenditures in the periods.

The Company's operations are not driven by seasonal trends, but rather by reaching project milestones such as completing various geological, technical, environmental and socio-economic objectives as well as closing the financings needed to fund the Company's activities. The operating results of junior exploration companies typically demonstrate wide variations from period to period. These variances arise from fluctuations in such costs as share-based compensation, level of exploration activity and unanticipated events such as hostile takeover bids.

TRANSACTIONS WITH RELATED PARTIES

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of executive and non-executive members of the Company's Board of Directors and corporate officers.

Compensation paid or payable to key management personnel for services rendered were as follows for the years ended December 31:

	2018	2017
	\$	\$
Consulting	373,000	368,000
Contract wages	78,000	35,000
Directors' fees	18,000	27,000
Geological consulting	292,404	274,900
Share-based payments	303,210	190,513
	1,064,624	895,413



In accordance with IAS 24, *Related Party Disclosures*, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive). The remuneration of directors and key executives is determined by the Board of Directors having regard to the performance of individuals and market trends.

At December 31, 2018, the Company advanced \$nil (2017 – \$20,750) to the Chief Executive Officer and a director of the Company and is included in prepaids at December 31, 2017.

At December 31, 2018, the Company owed \$nil (2017 – \$8,085) to an officer and former director of the Company and included in accounts payable and accrued liabilities is \$5,411 (2017 – \$13,500), owing to a director, Chief Executive Officer and Director and the Chief Operating Officer of the Company.

Subsequent to the end of the year, the Company announced that it had made management changes. Pursuant to the management changes, the Company paid severances totalling \$884,497 to the previous Chief Executive Officer (\$391,496), Chief Financial Officer (\$117,000), Chief Operating Officer (\$328,001) and Corporate Secretary (\$48,000) of the Company.

LIQUIDITY AND CAPITAL RESOURCES

The Company has no operations that generate cash flow at this time. The Company's future financial success will depend its success in re-starting the past producing Hammerdown gold mine and, also on the expansion of or discovery of one or more economic mineral deposits or business opportunities. The process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Company and its management.

Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company has financed its activities primarily by the issuance of equity securities. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable.

Subsequent to the end of the year, the Company announced that it closed a non-brokered private placement raising aggregate gross proceeds of \$6,092,500 through the issuance of a combination of units at a price of \$0.10 per unit and flow-through units at a price of \$0.12 per unit. The Company considers this to be sufficient financing to carry out its 2019 plan.

Working Capital

The Company had \$2,324,737 in working capital as at December 31, 2018 (2017 – (\$124,628)) (see "Non-IFRS Measures"). As at December 31, 2018, the Company has no debt, does not have any unused lines of credit or other arrangements in place to borrow funds, and has no off-balance sheet arrangements. The Company has no current plans to use debt financing and does not use hedges or other financial derivatives.

The Company manages its liquidity risk (i.e., the risk that it will not be able to meet its obligations as they become due) by forecasting cash flows from operations together with its investing and financing activities. Expenditures are adjusted to ensure liabilities can be funded as they become due. Management and the Board of Directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

Operating Activities

Cash used in operating activities was \$2,261,437 for the year ended December 31, 2018, compared to \$1,299,071



in the same period of 2017.

Financing Activities

Financing activities resulted in cash inflows of \$5,421,926 from the issuance of shares during the year period ended December 31, 2018. The Company received cash inflows from its financing activities of \$1,901,737 from the issuance of shares during the year ended December 31, 2017.

Investing Activities

Investing activities, relating predominantly to exploration and evaluation expenditures on the Company's exploration properties, resulted in cash outflows of \$1,188,540 during the year ended December 31, 2018 compared to \$796,059 during the year ended December 31, 2017.

CONTINGENCIES

The Company may be subject to various contingent liabilities that occur in the normal course of operations. The Company is not aware of any pending or threatened proceedings that would have a material adverse effect on the consolidated financial position or future results of the Company.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The carrying value of receivables, and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments. The fair value of cash is measured based on level 1 of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligation. The Company's receivables consist primarily of tax receivables due from federal and provincial government agencies. The Company has no customers or trade receivables as at December 31, 2018. The Company does not have a significant concentration of credit risk with any single counter-party. The Company's cash is invested in interest bearing accounts at major Canadian chartered banks. Because of these circumstances, the Company does not believe it has a material exposure to credit risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The risk that the Company will realize a loss in cash is limited because the Company's deposits are redeemable on demand.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The



Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances, asset sales or a combination thereof.

The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. As at December 31, 2018, the Company had cash totalling \$2,359,066 (2017 – \$387,117) to settle accounts payable and accrued liabilities of \$121,441 (2017 – \$150,442). As at December 31, 2017, the Company also had a \$500,000 Loan outstanding which was repaid in shares during 2018. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

As at December 31, 2018 and 2017, the Company's accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The discussion and analysis of Maritime's financial condition and results of operations are based upon its financial statements, which are prepared in accordance with IFRS. The preparation of the financial statements requires the Company to make estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates under different assumptions or conditions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in more detail in the Company's financial statements for the year ended December 31, 2018, which are available on SEDAR at www.sedar.com.

NEW ACCOUNTING STANDARDS

The adoption of the following IFRS standards and amendments to existing standards effective January 1, 2018 did not have an effect on the Company's financial statements:

- IFRS 2, "Share-based payment" (amended standard) is effective for annual periods beginning on or after January 1, 2018.
- IFRS 7, "Financial Instruments: Disclosure" is effective for annual periods beginning on or after January 1, 2018.
- IFRS 9, "Financial Instruments: Classification and Measurement": is effective for annual periods beginning on or after January 1, 2018. The Company adopted IFRS 9 retrospectively, without restatement of prior year financial statements. IFRS 9 replaces the provisions of IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39") that relate to the recognition, classification, and measurements of financial assets and financial liabilities, derecognition of financial instruments and impairment of financial assets. IFRS 9 uses a single approach to determine whether a financial asset is classified and measured at amortized cost or fair value. The approach in IFRS 9 is based on how the Company manages its financial instruments and the contractual cash flow characteristics of the financial asset. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9. The application of IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities, and there was



also no impact to the carrying value of any of the Company's financial assets or liabilities on the date of transition.

Accounting Standards Issued but not yet in effect:

- IFRS 16, "Leases": is effective for annual periods beginning on or after January 1, 2019. The Company does not expect this standard to have a material impact on its financial statements.

DISCLOSURE OF SECURITIES OUTSTANDING

As at April 26, 2019, the following common shares, common share purchase options, finders' warrants and common share purchase warrants were outstanding.

	Expiry date	Exercise price per share	Number of shares and number of shares on exercise
Common shares			189,050,469
Common share purchase options	29-May-2019	\$ 0.28	395,000
Common share purchase options	15-Oct-2019	\$ 0.15	100,000
Common share purchase options	13-Nov-2020	\$ 0.15	1,685,000
Common share purchase options	29-Jul-2021	\$ 0.25	2,300,000
Common share purchase options	26-Apr-2022	\$ 0.15	200,000
Common share purchase options	04-Dec-2022	\$ 0.10	500,000
Common share purchase options	15-Dec-2022	\$ 0.10	2,500,000
Common share purchase options	6-Dec-2023	\$ 0.11	4,805,000
Common share purchase options			12,485,000
Common share purchase warrants	22-Jun-2019	\$ 0.20	2,727,500
Common share purchase warrants	11-Jul-2019	\$ 0.20	1,568,000
Common share purchase warrants	19-Jul-2019	\$ 0.20	8,249,998
Common share purchase warrants	15-Aug-2019	\$ 0.20	1,364,170
Common share purchase warrants	21-Sep-2019	\$ 0.20	2,650,000
Common share purchase warrants	6-Jan-2020	\$ 0.20	6,383,333
Common share purchase warrants	7-Nov-2020	\$ 0.15	15,431,450
Common share purchase warrants	12-24-Apr-2021	\$ 0.15	28,448,333
Common share purchase warrants⁽¹⁾			66,822,784
Finders' warrants	22-Jun-2019	\$ 0.20	218,750
Finders' warrants	19-Jul-2019	\$ 0.20	1,190,700
Finders' warrants	15-Aug-2019	\$ 0.20	824,886
Finders' warrants	21-Sep-2019	\$ 0.20	350,000
Finders' warrants	6-Jan-2020	\$ 0.20	480,000
Finders' warrants	7-Nov-2020	\$ 0.15	1,076,395
Finders' warrants	7-Nov-2020	\$ 0.11	2,152,791
Finders' warrants	12-24-Apr-2021	\$ 0.15	3,863,294
Finders' warrants⁽²⁾			10,156,816

⁽¹⁾ Each transferable warrant entitles the holder to acquire one common share of the Company.

⁽²⁾ Each non-transferable warrant entitles the holder to acquire one common share of the Company.

**NON-IFRS MEASURES**

This MD&A refers to working capital, which is not a recognized measure under IFRS. This non-IFRS performance measure does not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other issuers. Management uses this measure internally to better assess performance trends and liquidity. Management understands that a number of investors and others who follow the Company's business assess performance in this way. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

As at December 31	2018	2017
	\$	\$
Current assets		
Cash	2,359,066	387,117
Receivables	40,953	35,789
Prepaid expenses	46,159	45,548
	2,446,178	468,454
Current liabilities		
Accounts payable and accrued liabilities	(121,441)	(150,442)
Loans	-	(442,640)
Working capital	2,324,737	(124,628)

RISK FACTORS AND UNCERTAINTIES

The Company is subject to risks and uncertainties similar to other companies in a comparable stage of exploration. These risks include, but are not limited to, continuing losses, dependence on key individuals, and the ability to secure adequate financing to meet minimum capital required to successfully complete its exploration programs and continue as a going concern. While the Company has been successful in raising financing to date, there can be no assurance that it will be able to do so in the future. The operations of the Company are speculative due to the high-risk nature of its business. These risk factors and uncertainties could materially affect the Company's future operating results and could cause actual events to differ materially from those described herein and in forward-looking statements and forward-looking information relating to the Company.

Exploration

The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market

The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change; both in short term time horizons and longer-term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity Price

The Company's exploration projects are primarily related to exploration for gold and other precious metals in Canada. These minerals have recently been the subject of significant price fluctuations, and as such, there can be no assurance that that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these



target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

Title

Although the Company has exercised the usual due diligence with respect to title to properties in which it has interests, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements or transfers or land claims, and title may be affected by undetected defects.

Financing

Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies, like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Key Personnel

The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition

Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Realization of Assets

Exploration and evaluation assets comprise a substantial portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal. Resource exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values.

Environmental and Other Regulatory Requirements

The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes,



labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities could experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses, Accumulated Deficit and Lack of Revenue from Operations

The Company has incurred net losses to date. The Company has not yet had any revenue from the exploration activities on its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable

The Company and its subsidiaries may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Legal Proceedings

As at the date of the Report, there were no legal proceedings against or by the Company.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The information included in the Financial Statements and this MD&A is the responsibility of management, and their preparation in accordance with IFRS requires management to make estimates and their assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Financial Statements, and the reported amount of income and expenses during the reported period. Actual results could differ from those estimates.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain of the statements made and information contained herein is "forward-looking information" within the meaning of *National Instrument 51-102, Continuous Disclosure Obligations* of the Canadian Securities Administrators. This includes statements concerning the potential to increase mineral resource and mineral reserve estimates and the Company's plans to restart the Hammerdown Mine, acquire new mineral property interests or business opportunities, which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the



Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. All forward-looking statements and forward-looking information are based on reasonable assumptions that have been made by the Company in good faith as at the date of such information. Such assumptions include, without limitation, the price of and anticipated costs of recovery of, base metal concentrates, gold and silver, the presence of and continuity of such minerals at modeled grades and values, the capacities of various machinery and equipment, the availability of personnel, machinery and equipment at estimated prices, mineral recovery rates, and others. Forward-looking information is subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, the ability of the Company to continue to be able to access the capital markets for the funding necessary to acquire, maintain and advance exploration properties or business opportunities; competition within the industry to acquire properties of merit or new business opportunities, and competition from other companies possessing greater technical and financial resources; difficulties in advancing towards a development decision at the Hammerdown Mine and executing exploration programs at its Newfoundland and Labrador properties on the Company's proposed schedules and within its cost estimates, whether due to weather conditions in the areas where it operates, increasingly stringent environmental regulations and other permitting restrictions or maintaining title or other factors related to exploring of its properties, such as the availability of essential supplies and services; factors beyond the capacity of the Company to anticipate and control, such as the marketability of mineral products produced from the Company's properties, uncertainty as to whether mineral resources will ever be converted into mineral reserves once economic considerations are applied, uncertainty as to whether inferred mineral resources will be converted to the measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied, government regulations relating to health, safety and the environment, and the scale and scope of royalties and taxes on production; the availability of experienced contractors and professional staff to perform work in a competitive environment and the resulting adverse impact on costs and performance and other risks and uncertainties, including those described in each MD&A of financial condition and results of operations. In addition, forward-looking information is based on various assumptions including, without limitation, assumptions associated with exploration results and costs and the availability of materials and skilled labour. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, readers are advised not to place undue reliance on forward-looking information. Except as required under applicable securities legislation, Maritime undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.