

Form 51-102F1
Interim Management’s Discussion and Analysis (“Interim MD&A”)
for
Strongbow Exploration Inc. (“Strongbow” or the “Company”)

Containing information up to and including June 28, 2018

Description of Business

Strongbow Exploration Inc. (“Strongbow” or the “Company”) is a Canadian mineral exploration company building a portfolio of strategic metals assets in North America and the United Kingdom. Its flagship project is the past producing South Crofty underground tin mine in Cornwall, UK. The Company acquired rights to the South Crofty tin project in Cornwall, UK in July 2016 and it maintains an interest in exploration properties which are prospective for tin and nickel in addition to holding a royalty on two tungsten assets (non-producing) located in the Northwest Territories and Yukon, Canada. Shares of the Company trade on the TSX Venture Exchange (“TSX-V”) under the symbol SBW.

The following discussion and analysis of the Company’s financial condition and results of operations for the three months ended April 30, 2018, should be read in conjunction with the consolidated condensed interim financial statements of the Company for the three months ended April 30, 2018 and April 30, 2017, together with the notes thereto. These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and specifically, in accordance with International Accounting Standards 34, Interim Financial Reporting (“IAS 34”). This Interim MD&A contains forward-looking statements that are based on certain estimates and assumptions and involve risks and uncertainties. Actual results may vary materially from management’s expectations. Refer to the “Forward-Looking Statements” section which appears later in this MD&A.

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

Disclosure of a scientific or technical nature which appears in this MD&A was prepared under the supervision of Richard Williams, P.Geol.(BC). Mr. Williams is the Company’s President, CEO and a director; he is a “Qualified Person” as that term is defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”).

Highlights for the Three Months Ended April 30, 2018 and for the Period ending June 28, 2018

- Continued work on the design and construction of the proposed Water Treatment Plant (“WTP”) at South Crofty;
- Purchased land surrounding New Cook’s Kitchen Shaft site at South Crofty completed in May 2018 for \$977,742;
- Amended the terms of the South Crofty Share Purchase Agreement (“SPA”) in the event that the Company lists its shares on Alternative Investment Market (“AIM”) in London by December 31, 2018;
- Issued 8,456,664 common shares, totalling \$2,000,000 to Galena and Tin Shield, to satisfy the terms of the original South Crofty SPA agreement;
- Continued work required for a potential listing on AIM; and
- Appointed Matthew Hird as Chief Financial Officer (“CFO”).

Activities Update for the Three Months Ended April 30, 2018 and for the Period ending June 28, 2018

South Crofty - Background

Strongbow’s 100-percent owned South Crofty tin project is located in the Central Mining District of Cornwall, in the towns of Pool and Camborne, South West England. It is management’s view that South Crofty represents one of the best tin opportunities currently available globally. Strong support for new development locally, and in the UK in general, is demonstrated by the start-up of Wolf Minerals’ Drakelands tungsten-tin mine in 2015, located in the neighbouring county of Devon, the development of Dalradian Resources’ Curraghinalt gold project in Northern Ireland, and Sirius Minerals’ York Potash project in North Yorkshire. Management views these developments as positive for the potential future re-development of South Crofty.

The acquisition of the South Crofty project fits into Strongbow’s objective of acquiring high quality mining assets in good jurisdictions in the strategic metals space. South Crofty comprises an Underground Permission (mine permit)

area that covers 1,490 Hectares, an area which includes twenty-six (26) former producing mines. Production records date back to 1592, but full-scale mining activities commenced in the mid-17th century. The mine closed in 1998 as a result of the tin price collapse of 1985 and impending changes to environment laws and related liabilities in the late 1990s. A new Mine Permit was granted in 2013 and is valid until 2071. The Company also has planning permission to construct a new process plant.

In February 2017, the Company announced the completion of a Preliminary Economic Assessment (“PEA”) which can be found on the Company’s website (www.strongbowexploration.com) and under Strongbow’s issuer profile (www.sedar.com). The PEA indicates that the project is potentially economically viable and technically feasible. The outcome of this PEA, coupled with the strong potential to materially add to the Lower Mine tin-only Mineral Resource, supports management’s belief that South Crofty can become an operating mine again.

The Company’s 100% interest in South Crofty is held indirectly through Western United Mines Limited, which is a wholly-owned subsidiary of Strongbow Exploration (UK) Limited, itself a wholly-owned subsidiary of the Company.

Planning and design of the Water Treatment Plant

In March 2017, a water treatment trial was successfully completed at South Crofty. The purpose of the trial was to demonstrate that suspended solids and dissolved metals in mine-water could be successfully extracted, to allow discharge of treated mine water that meets Environment Agency (“EA”) requirements into the nearby Red River. In October 2017 the Company received, from the EA, a Mine Waste Permit with Water Discharge Consent that will allow treatment and discharge of up to 25,000m³/day of mine-water, following construction and commissioning of a new water-treatment plant. Mine dewatering is expected to take between eighteen and twenty-four months.

The cost to construct the permanent water treatment facility is included as part of the estimated US\$118.7 million pre-production capital cost (including contingency) outlined in the PEA. Details of the water treatment process are provided in the Company’s corporate presentation, which is available on its website: www.strongbowexploration.com.

In June 2017, Strongbow announced that Siltbuster Process Solutions Ltd. (“Siltbuster”) and Nomenca Ltd. (“Nomenca”) had been engaged to undertake process specification and outline design works for the WTP at South Crofty.

Construction progress of the Water Treatment Plant

Activities at the WTP during the period included associated enabling works consisting of placing orders for a number of long lead items. These include:

- Mine Dewatering Pumps – two 525m³/hour multi-stage high-head submersible pumps complete with 950kW submersible motors and 420 metres of cable were ordered from KSB Ltd in February 2018 and are due for delivery to site in mid-September 2018;
- Pump Electrical Drives – two variable speed drives with integrated 11kV-3.3kV transformers and sinusoidal filters were ordered from Winder Controls (Europe) Ltd in February 2018 and are due for delivery to site in mid-September 2018;
- A contract was placed with IME Consultants EU Pty Ltd for the supply and installation of the shaft rising main pipe columns, a temporary shaft deck and a pipe handling / charring mechanism. Additionally, the installation of the submersible pumps is included in the contract.

Detailed design work for the WTP is continuing with Nomenca. The procurement process also commenced, with Nomenca specifying the major mechanical equipment and identifying suitable sub-contractors for construction activities. Siltbuster continued to optimise the process flowsheet and conducted further on-site trials to optimise the thickening and clarification sections of the WTP with the aim of reducing capital costs and improving lead times for major equipment.

Purchase of land surrounding New Cook’s Kitchen Shaft site at South Crofty

On May 17, 2018, the Company completed the purchase of 1.77 acres of land for consideration of \$977,742, including applicable taxes, which provides the Company with the freehold ownership of the surface land and headframe around the New Cook’s Kitchen Shaft, the main access shaft at South Crofty. The Company will undertake some demolition and shaft works on this land, and will also construct a service road from the shaft to the site where the WTP is being constructed for use in the project.

The acquisition of the surface land surrounding New Cook’s Kitchen Shaft gives the Company control over the shaft surface rights, the associated headframe, South Winder house and Mine Dry building. It also provides an in-perpetuity access route to the shaft and enables services to be laid to connect the shafts with the WTP, which is located on the

Company's existing freehold site located 200 metres south of the shaft area. This will enable the Company to make use of the pre-existing surface infrastructure resulting in a longer-term reduction in capital expenditure. The shaft headframe is in good condition and was refurbished to operational condition in 2012 by Cornwall Council as part of a previous land swap agreement.

Amendment to South Crofty Share Purchase Agreement

In March 2018, the Company announced that it had entered into a side letter to the SPA with Galena Special Situations Master Fund Limited ("Galena"), and Tin Shield Production Inc. ("Tin Shield") whereby the remaining payments due to Galena and Tin Shield can be amended to allow Strongbow to remove certain share issuances and/or cash payments due on delivery of feasibility and/or a production decision to Galena and Tin Shield, provided that the Company's shares are listed on AIM before the end of 2018, in return for the following:

- A payment of US\$6.0 million, comprising US\$3.0 million in cash and US\$3.0 million in Strongbow shares payable immediately upon completion of an AIM listing.
- A payment of US\$6.0 million, payable in cash and / or shares at Strongbow's election, payable within 5 business days of the Company securing project financing to build a mine at South Crofty.

The new payment structure will replace the original structure from the SPA (see news release dated March 17, 2016) as set out below:

- \$2.0 million (cash and / or shares at Strongbow's election) on June 10, 2018;
- The issuance of 2,000,000 common shares of the Company to Galena / Tin Shield upon delivery of a positive feasibility study or commencement of commercial production, whichever occurs first;
- Strongbow to make a cash and / or common share payment to Galena equal to 25% of the NPV of the project upon making a decision to go into production. In the event that Strongbow's market capitalization was less than the NPV of the project when a production decision was made, Strongbow would pay the equivalent of 25% of its market value to Galena and the balance (between the 25% of market value and 25% of the NPV of the project) would be paid out as a 5% Net Profits Interest from production.

In the event the AIM listing occurs after June 10, 2018, the Company will be required to make the June 10 payment of C\$2.0 million (cash or shares at Strongbow's election) set out in the original SPA with that amount being credited towards the US\$6.0 million payable upon the completion of the AIM listing. Since the AIM listing had not taken place by this date, the Company issued 8,456,664 in common shares, totaling C\$2,000,000 to Galena and Tin Shield on June 10, 2018, thereby satisfying this requirement.

If the Company fails to list on AIM by January 1, 2019 the terms from the original SPA will remain in force.

Next steps - South Crofty

The Company's primary focus for 2018 will be the design, construction and commissioning of the WTP, and thereafter commencement of mine dewatering (subject to financing). The Company is also in the process of listing its common shares on AIM in London, UK given the location of the Company's most significant asset in the UK.

In the next 12 to 24 months (subject to financing), the Company plans to:

- Drill exploration targets to demonstrate the potential to increase the current resource;
- Commence a Feasibility Study;
- Commence dewatering the mine;
- Complete an underground drilling program to delineate a Measured and Indicated Mineral Resource and increase the Indicated and Inferred Mineral Resource once access to the underground workings is obtained;
- Complete basic and detailed engineering studies; and
- Construct process plant and underground facilities.

Results of Operations

The Company's principal business activity is the acquisition and exploration of mineral properties which are prospective for strategic metals; the Company is focused on assets in Cornwall, UK and in North America. In addition to South Crofty in the UK, the Company has mineral property interests in Saskatchewan and the Northwest Territories, Canada as well as in Alaska, U.S.A. Management expects that South Crofty will be the Company's primary focus in the coming months.

During the three months ended April 30, 2018 (the "**Current Quarter**"), the Company recorded a loss of \$785,330 (\$0.01 loss per share) as compared to a loss of \$460,675 (\$0.01 loss per share) for the three months ended April 30, 2017 (the "**Comparative Quarter**"). Comprehensive loss for the Current Quarter totaled \$785,330 as compared to a comprehensive loss of \$493,525 in the Comparative Quarter. During the Current Quarter, the Company recorded an unrealized gain on marketable securities of \$107,249 as compared to an unrealized loss on marketable securities of \$32,850 in the Comparative Quarter.

During the Current Quarter, expenses totaled \$873,406 as compared to expenses of \$455,355 in the Comparative Quarter. This can be mainly attributed to the increase in accretion, advertising and promotion, professional fees, salaries and share-based compensation expense. These increases are reflective of the Company's increased activities for the South Crofty project in the UK, and engagement in a greater number of marketing events related to public relations in the UK in preparation for the proposed listing on AIM. Certain costs related to the proposed listing on AIM which are not eligible for capitalization were also incurred during the Current Quarter.

Advertising and promotion expense (Current Quarter - \$209,587; Comparative Quarter - \$138,342) increased; this expense item includes travel expenses primarily related to South Crofty as well as the cost for attendance fees at several investor relations conferences, a video publicity expense and monthly fees related to public relations in the UK and investor relations in North America.

Professional Fees (Current Quarter - \$205,930; Comparative Quarter - \$80,568) include accounting and audit fees, general legal expenses, consulting expenses. Professional fees increased significantly during the Current Quarter due to increased accounting and legal fees related to the proposed listing on AIM, which are not eligible for capitalization. Salary expense (Current Quarter - \$95,186; Comparative Quarter - \$77,699) also increased as the Company's activity level increased as compared to the previous years and compensation for the Company's executives was adjusted accordingly. Share-based compensation expense of \$100,378 (Comparative Quarter - \$73,915) relates to the estimated fair value of the 2,540,000 stock options granted November 6, 2017, which were 40% vested as at April 30, 2018.

Office, miscellaneous and rent of \$48,726 (Comparative Quarter - \$21,743) includes office rental expenses of \$17,043. The Company's month rent of \$7,531 per month is offset by sub-lease income of \$3,350 per month resulting in a net cost of \$4,181 per month. The Company also pays a monthly fee of \$1,500 to North Arrow Minerals Inc. ("North Arrow"), a company related by virtue of two common directors, for administrative support and rent. Other miscellaneous costs include sponsorship costs of \$14,828 related to the UK Mining Games arranged by the Camborne School of Mines in order to promote the Company's activities in the communities surrounding South Crofty.

Accretion expense (Current Quarter - \$191,488; Comparative Quarter - \$38,677) relates to a future payment of \$1.5 million for a line of credit from Osisko which was used to acquire the Cantung and Mactung royalties in March 2016 and a convertible note financing with Osisko for \$7.17 million that closed on January 26, 2018. As at April 30, 2018, the estimated net present value of the line of credit and the convertible note was \$1,327,526 and \$4,064,441 respectively.

Depreciation (Current Quarter - \$568; Comparative Quarter - \$618) decreased in the Current Quarter. Depreciation on assets at South Crofty is capitalized to exploration and evaluation assets. During the Current Quarter, capitalized depreciation totaled \$22,649 (Comparative Quarter - \$21,241).

The Company incurred \$Nil of generative exploration expenses in the Current Quarter (Comparative Quarter - \$5,961). Other expenses incurred during the Current Quarter included regulatory and filing fees of \$8,876 (Comparative Quarter - \$6,934), and insurance expense of \$12,667 (Comparative Quarter - \$10,898).

Other factors that affected the Company's loss in the Current Quarter included a foreign exchange loss (Current Quarter - \$21,100; Comparative Quarter - \$5,320) and interest income (Current Quarter - \$1,927; Comparative Quarter - \$Nil).

Assets and Liabilities

Total assets decreased to \$16,522,963 as at April 30, 2018 as compared to total assets of \$16,941,874 as at January 31, 2018.

The Company's cash balance decreased from \$6,948,928 as at January 31, 2018 to \$4,424,516 as at April 30, 2018 principally as a result of ongoing activities at South Crofty and expenditure at a corporate level.

Marketable securities increased in value from \$515,521 as at January 31, 2018 to \$648,089 as at April 30, 2018 due to an increase in the market value of the Westhaven common shares (which represent a significant percentage of the value of the Company's marketable securities) and from receipt of common shares in Tin Shield, a private company, with an estimated fair value of \$25,318.

Receivables, consisting mostly of sales tax receivables from the governments of Canada and the UK increased from \$158,363 as at January 31, 2018 to \$215,573 as at April 30, 2018 reflecting a higher level of expenditure in the UK as compared to previous quarters which led to a corresponding increase in sales tax receivable. Prepaid expenses decreased to \$36,763 as at April 30, 2018 as compared to \$133,729 as at January 31, 2018.

As at April 30, 2018, the Company capitalized \$409,293 in deferred financing fees. These fees include legal, accounting and other professional fees that the Company has incurred in respect of preparatory work for a possible listing on AIM in London, UK and will be applied against any proceeds from a listing on AIM. In the event that the Company does not proceed with an AIM listing, the deferred financing fees will be expensed.

Deposits increased to \$1,006,835 as at April 30, 2018 from \$29,093 as at January 31, 2018. Of this balance, \$977,742 relates to a deposit for the purchase of the land surrounding New Cook's Kitchen Shaft at South Crofty. Subsequent to the quarter end, the Company completed the purchase of the land and allocated this amount to property, plant and equipment. Other balances included in deposits are a refundable security deposit placed with the provider of electricity at South Crofty and a security deposit for the Vancouver office premises.

Plant and equipment ("PPE") assets increased to \$2,239,210 as at April 30, 2018 from \$1,508,300 as at January 31, 2018 mostly due to the capitalization of \$1,313,528 for the WTP (work in progress) following receipt of the Mine Waste Permit with Water Discharge Consent in October 2017.

The capitalized royalty balance for the Mactung and Cantung royalties was \$1,500,000 as at April 30, 2018 and 2017.

Exploration and evaluation assets of \$6,042,684 as at April 30, 2018 represent 37% of total assets and increased from \$5,741,629 as at January 31, 2018. During the Current Quarter, the Company capitalized \$301,055 to exploration and evaluation assets, entirely related to the South Crofty project, reflecting general expenditure at the site.

A summary of the Company's capitalized exploration and evaluation assets is as follows:

	January 31, 2018	Expended During the Period	April 30, 2018
Tin Properties, Alaska, USA			
Exploration costs	\$ 18,738	\$ -	\$ 18,738
Tenure and acquisition costs	774,732	-	774,732
Geological and assays	6,541	-	6,541
Office and salaries	3,506	-	3,506
	<u>803,517</u>	<u>-</u>	<u>803,517</u>
South Crofty, Cornwall, UK			
Exploration costs	\$ 518,586	107,813	626,399
Tenure and acquisition costs	3,072,400	2,187	3,074,587
Geological and assays	461,344	11,893	473,237
Office and salaries	1,010,253	179,162	1,189,415
Recovery	(124,471)	-	(124,471)
	<u>4,938,112</u>	<u>301,055</u>	<u>5,239,167</u>
	<u>\$ 5,741,629</u>	<u>\$ 301,055</u>	<u>\$ 6,042,684</u>

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties is in good standing.

Current liabilities, consisting of accounts payable and accrued liabilities, increased to \$692,323 as at April 30, 2018 from \$619,603 as at January 31, 2018. Total long-term liabilities increased to \$8,278,481 as at April 30, 2018 from \$8,086,993 as at January 31, 2018 due to accretion of \$191,488 in the Current Quarter. Liabilities include the future repayment of the \$1,500,000 line of credit provided by Osisko in connection with the Cantung and Mactung royalty acquisition, and the Note Financing with Osisko which is split between debt and royalty components of \$4,064,441 and \$2,886,514, respectively (see Note 11 and 12 of the Consolidated Condensed Interim Financial Statements for the three months ended April 30, 2018 and 2017).

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information of Strongbow Exploration Inc. and is derived from the Company's consolidated condensed interim financial statements prepared by management. The Company's consolidated condensed interim financial statements are prepared in accordance with IFRS and are expressed in Canadian dollars.

Quarter Ending	Interest Income \$	Loss from Continued Operation and Net Loss \$	Basic Loss per share ⁽¹⁾ from Loss \$	Fully Diluted Loss per share ⁽¹⁾ – from Net Loss \$
April 30, 2018	1,927	(785,330)	(0.01)	(0.01)
January 31, 2018	Nil	(1,055,784)	(0.01)	(0.01)
October 31, 2017	Nil	(356,553)	(0.00)	(0.00)
July 31, 2017	Nil	(360,039)	(0.01)	(0.01)
April 30, 2017	Nil	(460,675)	(0.01)	(0.01)
January 31, 2017	Nil	(517,070)	(0.01)	(0.01)
October 31, 2016	Nil	(369,887)	(0.01)	(0.01)
July 31, 2016	Nil	(124,233)	(0.00)	(0.00)

(1) Based on the treasury share method for calculating diluted earnings.

Following the acquisition of the South Crofty tin project in July 2016, the Company's activity levels have increased, resulting in a corresponding increase to the quarterly loss. Preparatory work for an AIM listing in recent quarters has also contributed to an increase in losses. Losses also include non-cash expenses such as accretion (related to the Company's financing activities) and share-based compensation, which varies depending on when stock options are granted and vest.

Liquidity and Capital Resources

The Company's working capital as at April 30, 2018 was \$5,041,911 as compared to working capital of \$7,543,249 as at January 31, 2018. Cash decreased by \$2,524,412 in the Current Quarter (Comparative Quarter – \$900,344) to \$4,424,516 as at April 30, 2018 (cash of \$6,948,928 as at January 31, 2018). Net cash used in operations during the Current Quarter was \$661,443 (Comparative Quarter - \$332,040). Changes in working capital items during the Current Quarter included an increase in receivables of \$57,210, a decrease of \$96,966 in prepaid expenses and a decrease in payables and accrued liabilities of \$101,054.

During the Current Quarter, the Company used \$1,825,490 (Comparative Quarter - \$568,304) for investing activities, split between \$617,352 for the ongoing design and construction of the WTP, \$205,078 for general expenditure at South Crofty which was capitalized to exploration and evaluation assets, and an increase in deposits of 977,742 relating to the purchase of the land surrounding New Cook's Kitchen Shaft at South Crofty. In the Comparative Quarter, \$550,175 was capitalized to exploration and evaluation assets, primarily related to the acquisition of South Crofty.

Net proceeds from financing activities were \$37,479 in the Current Quarter (\$Nil in the Comparative Quarter). The Company received \$1,833 from the exercise of warrants and paid deferred financing fees of \$39,312.

As at April 30, 2018, the fair value of the Company's marketable securities was \$648,089 (\$515,521 as at January 31, 2018), of which \$498,300 is the estimated fair value of 3,500,000 common shares of Westhaven, \$124,471 is the estimated fair value of common shares of Cornish Lithium, a private company and \$25,318 is the estimated fair value of the common shares of Tin Shield, a private company. Westhaven and the Company are related by virtue of a common director, Mr. D. Grenville Thomas. The Company's marketable securities have been classified as current assets as it is the Company's intention to sell its holdings if market conditions are favourable however, there can be no assurance that the Company will be able to sell its marketable securities when required to finance its activities.

As at April 30, 2018, the Company had certain minimum commitment for premises and consulting agreements. Please see the "*Commitments*" section below for further details.

The Company's financial statements have been prepared on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company are dependent on the Company's ability to complete equity financings or generate profitable operations in the future. The Company's financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

Actual funding requirements may vary from those planned due to a number of factors, including results from exploration activities and the Company's ability to raise additional funds at favourable terms. Equity financings at the Company's stage of development continue to be challenging in the current economic environment, and result in dilution to existing shareholders. Dilution to existing shareholders from an equity financing increases as the share price decreases. In addition, market volatility and economic uncertainties have the potential to make future financing challenging. The Company's ability to generate cash is very much affected by the current market conditions, its share price and third party interest in its assets. The Company has no credit facilities that can be used for ongoing operations because it has no operating cash flow; the line of credit provided by Osisko in March 2016 was solely to fund the acquisition of the Cantung and Mactung royalties (see Note 12 of the Consolidated Condensed Interim Financial Statements for the three months ended April 30, 2018 and 2017).

Risks and Uncertainties

The Company's financial condition and future prospects are significantly affected by overall economic conditions. The Company has no source of operating revenue and relies primarily on equity financings. In January 2018, the sale of a royalty was concluded with Osisko to progress the design and construction of the WTP at South Crofty. Liquidity

risk and going concern are the most significant risks faced by the Company at the present time, given its early stage of development. In addition, the Note Financing completed in January 2018 is secured by a first ranking lien on all of the assets of Strongbow and its subsidiaries. If an event of default occurs under either the Note or the Royalty Agreement, Osisko has the right to realize upon its security and become the owner of all such assets.

The Company's audited consolidated financial statements for the year ended January 31, 2018 and its consolidated condensed interim financial statements for the three months ended April 30, 2018 have been prepared on a going concern basis with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. However, the Company has sustained substantial losses from operations since inception and has no current source of revenue. Continued operations of the Company and further exploration on its remaining exploration and evaluation assets is dependent on the Company's ability to complete additional equity financings or generate profitable operations in the future. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern. The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

As at April 30, 2018, the Company had current assets of \$5,734,234 to settle current liabilities of \$692,323. Although the Company has positive working capital of \$5,041,911 as at April 30, 2018, the Company anticipates significant expenditures will be required to operate the WTP at the South Crofty project. The Company may be required to delay discretionary expenditures, including the construction and operation of the WTP, if additional financing cannot be obtained on reasonable terms within the next twelve months. Failure to obtain additional financing may cause a delay in the Company's plan to advance the South Crofty project towards a production decision, or an inability to meet its ongoing commitments.

Historically, the majority of the Company's expenses have been denominated in Canadian Dollars, so its exposure to foreign exchange risk was limited. The Company's foreign exchange exposure increased with the acquisition of South Crofty located in the UK in July 2016, thereby increasing the Company's exposure to foreign exchange risk as the majority of exploration expenses for this property are being incurred in UK Pounds Sterling. At the present time, the Company does not hedge its foreign exchange exposures.

The majority of the Company's receivables consist mainly of sales tax receivables due from the Canadian and UK governments, and smaller receivables from companies with which the Company has exploration agreements and receivables from related parties. The maximum amount of the Company's exposure to credit risk with respect to its receivables is the carrying value of those receivables as at the financial position date.

Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value.

Subsequent to the period end, 255,000 warrants were exercised.

As at June 28, 2018, there were 86,577,918 common shares issued and outstanding.

As at June 28, 2018, the Company had the following stock options and warrants outstanding:

	Number of Shares	Exercise Price	Number Exercisable	Expiry Date
Options	2,220,000	\$ 0.11	2,220,000	October 23, 2020
	2,700,000	0.15	2,700,000	January 3, 2022
	2,540,000	0.20	1,524,000	November 3, 2022
Warrants*	10,610,250	0.20	10,610,250	November 23, 2018
	2,766,666	0.20	2,766,666	November 25, 2018
	1,610,000	0.20	1,610,000	December 21, 2018
	14,605,000	0.20	14,605,000	June 28, 2019
	3,621,000	0.20	3,621,000	July 15, 2019
	150,000	0.20	150,000	July 19, 2019

**All warrants are subject to an Acceleration Right as follows:*

Acceleration Right – 2016 private placement financings

If on any 20 consecutive trading days the closing price of the Company's common shares (or the closing bid, if no sales were reported on a trading day) as quoted on the TSXV (or such other stock exchange, quotation system or market on which such shares are then listed) is greater than \$0.50 during the term of the Warrants, then the Company may accelerate the expiry date of the Warrants to the 30th day after the date on which the Company gives notice to the subscriber of such acceleration in accordance with the Warrant. Any Warrants not exercised on or before such 30th business day will expire and will no longer be exercisable to acquire shares.

During the period ended April 30, 2018 and April 30, 2017, the Company granted no stock options. During the year ended January 31, 2018, the Company granted 2,540,000 stock options to directors, officers, employees and consultants with an estimated fair value of \$445,420. As at April 30, 2018, the stock options were 40% vested. The stock options are exercisable at \$0.20 until November 3, 2022. During the three months ended April 30, 2018, the Company recorded \$100,378 in share-based compensation expense (April 30, 2017 - \$73,915).

Transactions with Related Parties

The Company entered into the following transactions with related parties during the Current Quarter:

- a) Paid \$4,500 to North Arrow, a company with two common directors, for office space and administrative services (April 30, 2017 - \$4,500);
- b) Paid \$Nil for office rent (April 30, 2017 - \$9,683) to Helio Resource Corp. (“Helio”), a company with two common directors, and \$1,263 (April 30, 2017 - \$3,697) as a cost reimbursement; and

Included in payables is \$1,768 (January 31, 2018 - \$Nil) due to Helio for the reimbursement of expenses; \$Nil due to North Arrow for administrative services (January 31, 2018 - \$2,000) and \$Nil (January 31, 2018 - \$11,008) due to KEA Minerals, a company controlled by Owen Mihalop, Strongbow’s Chief Operating Officer.

Included in receivables is \$6,829 (January 31, 2018 - \$Nil) due from Helio for reimbursement of other expenses.

Key management includes the Company’s directors and officers. Compensation awarded to key management was as follows:

	Three Months Ended	
	Aprl 30, 2018	April 30, 2017
Salaries and benefits ¹	\$ 115,111	\$ 103,046
Share-based payments ²	<u>68,170</u>	<u>59,105</u>
	\$ 183,281	\$ 162,151

¹ Allocated \$75,000 (April 30, 2017 - \$65,000) to salaries and benefits and \$40,111 (April 30, 2017 - \$38,046) to professional fees.

² Share-based payments are the fair value of options that have been granted and vested to directors and key management personnel.

Commitments

As at April 30, 2018, the Company is committed to minimum future lease payments for office premises and other monthly contractual payments to consultants as follows:

Year ending January 31, 2019	\$ 176,056
Year ending January 31, 2020	\$ 92,928
Year ending January 31, 2021	\$ 92,579
Year ending January 31, 2022	<u>\$ 23,145</u>

The Company’s lease costs may be reduced due to recoveries through sub-leases.

Financial Instruments

A description of the Company's financial instruments and the financial risks to which the Company is exposed can be found in Note 4 of the consolidated condensed interim financial statements for the three months ended April 30, 2018 and 2017.

Capital Management

A description of the Company's capital management can be found in Note 16 of the consolidated condensed interim financial statements for the three months ended April 30, 2018 and 2017.

Significant Accounting Estimates and Judgments

A description of the Company's significant accounting estimates and judgments can be found in Note 3a of the Audited Consolidated Financial Statements for the years ended January 31, 2018 and 2017. These estimates and judgments did not change for the three months ended April 30, 2018.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation assets is provided in the Company's consolidated statement of financial position, statement of changes in equity, statement of loss and comprehensive loss and the exploration and evaluation assets note contained in its consolidated condensed interim financial statements for the three months ended April 30, 2018 and 2017 prepared in accordance with IFRS. These statements are available on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com and is available on the Company's website at www.strongbowexploration.com.

Forward-Looking Statements

This Interim MD&A may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this MD&A and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to sources of and anticipated financing requirements, the Company's ability to continue as a going concern, the Company's ability to evaluate and develop the South Crofty tin project, including, but not limited to: obtaining the required consents and permissions for further development of the South Crofty tin project; assumptions included in the PEA and the likelihood that any of these assumptions will be realized; project growth opportunities for South Crofty; obtaining financing when required and on terms acceptable to the Company; the Company's ability to maintain its exploration and evaluation assets in good standing; the Company's ability to construct and operate the WTP within the terms of the applicable regulatory requirements; the Company's ability to comply with the terms of the Note Financing pursuant to the sale by the Company of a 1.5% NSR on South Crofty, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, success of exploration activities, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company's objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In

particular, statements regarding the Company's future operations, future exploration and development activities or other development plans and estimated future financing requirements contain forward-looking statements.

All forward-looking statements and information are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, acquisitions, financings, regulatory developments, development plans, exploration and development activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar and the UK Pound Sterling, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks and the Company's anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on the Company's behalf, except as required by law.

A summary of the acquisition and exploration activities for the Company can be found above, as well as a description of other corporate activities. These summaries include some discussion of management's future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company's exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities, exploration targets and funding considerations.

Approval

The Board of Directors of the Company has approved the disclosure contained in this Interim MD&A. A copy of this Interim MD&A will be provided to anyone who requests it.