MURCHISON MINERALS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2018 AND 2017

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditor.

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)

	March 31, 2018	December 31, 2017
ASSETS		
Current Assets		
Cash	$ 2,843,508	$ 4,394,940
Amounts receivable and prepaid expenses (Note 6)	125,168	39,246
Total current assets	2,968,676	4,434,186
Investment (Note 7)	3,918	5,339
Total assets	**$ 2,972,594**	**4,439,525**
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities (Note 13)	$ 786,140	$ 122,862
Flow-through share premium liability	160,996	905,490
Total liabilities	947,136	1,028,352
EQUITY		
Share capital (Note 10)	28,802,248	28,802,248
Reserves (Note 14)	2,085,453	1,840,068
Deficit	(28,862,243)	(27,231,143)
Total equity	2,025,458	3,411,173
Total equity and liabilities	**$ 2,972,594**	**$ 4,439,525**

Nature and Continuance of Operations (Note 1)
Commitments and Contingencies (Note 14)

Approved on Behalf of the Board:

"signed"
Kent Pearson
Director

"signed"
Denis Arsenault
Director

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2018	2017
EXPENSES		
Exploration expenses	$ 1,918,442	$ 919,910
Professional fees	11,966	13,960
Management fees and salaries	123,344	53,887
Office and general	11,066	8,344
Regulatory and transfer agent	42,080	8,426
Investor relations	36,374	36,718
Share-based payments (Note 12)	245,385	-
Loss before the under noted	**2,388,657**	**1,041,245**
Interest income	(9,653)	(4,203)
Foreign exchange gain	(4,831)	(614)
Flow-through shares premium	(744,494)	(326,357)
Unrealized loss (gain) on marketable securities (Note 7)	1,421	258
Loss for the period	**$ 1,631,100**	**$ 710,329**
Loss per share - basic and diluted	**$ 0.04**	**$ 0.03**
Weighted average number of common shares outstanding - basic and diluted	42,543,834	25,290,095

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

		Reserves			
	Share Capital	**Equity settled share-based payments reserve**	**Warrants reserve**	**Deficit**	**Total**
Balance, December 31, 2016	**$ 26,587,242**	**$ 654,298**	**$ 783,346**	**$ (26,107,369)**	**$ 1,917,517**
Net loss for the period	-	-	-	(710,329)	(710,329)
Expired stock options	-	(2,074)	-	2,054	-
Balance, March 31, 2017	**$ 26,587,242**	**$ 652,224**	**$ 783,346**	**$ (26,815,624)**	**$ 1,207,188**
Balance, December 31, 2017	**$ 28,802,248**	**$ 598,266**	**$ 1,241,802**	$ **(27,231,143)**	**$ 3,411,173**
Net loss for the period	-	-	-	(1,631,100)	(1,631,100)
Issuance of stock options	-	245,385	-	-	245,385
Balance, March 31, 2018	**$ 28,802,248**	**$ 843,651**	**$ 1,241,802**	**$ (28,862,243)**	**$ 2,025,458**

The accompanying notes are an integral part of these condensed interim consolidated financial statements

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2018	2017
CASH (USED IN) PROVIDED BY:		
OPERATING ACTIVITIES		
Loss for the period	$ (1,631,100)	$ (710,329)
Amortization	-	-
Share-based payments	245,385	-
Flow-through shares premium	(744,494)	(326,357)
Unrealized loss on marketable securities	1,421	258
	(2,128,788)	(1,036,428)
Net change in non-cash working capital items:		
Amounts receivable and prepaid expenses	(85,922)	(13,563)
Accounts payable and accrued liabilities	663,278	100,132
Net cash flows used by operating activities	(1,551,432)	(949,859)
INVESTING ACTIVITIES		
Proceeds on sale of property and equipment	-	180,000
Net cash flows provided by investing activities	-	180,000
NET CHANGE IN CASH	**(1,551,432)**	**(769,859)**
CASH, BEGINNING OF THE PERIOD	**4,394,940**	**2,147,235**
CASH, END OF THE PERIOD	**$ 2,843,508**	**$1,377,376**

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Murchison Minerals Ltd. (the "Company" or "Murchison") was incorporated under the Canada Business Corporations Act on July 25, 2001. The principal business of the Company is the acquisition, exploration and evaluation of mineral property interests. The primary office is located at 120 Adelaide Street West, Suite 2500, Toronto, Ontario, Canada, M5H 1T1.

The condensed interim consolidated financial statements were approved by the Board of Directors on May 28, 2018.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions and political uncertainty.

As at March 31, 2018, the Company has a cumulative deficit of $28,862,243 (December 31, 2017 - $27,231,143), continuing losses and is not yet generating positive cash flows from operations. These condensed interim consolidated financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These condensed interim consolidated financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, these unaudited condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

Basis of consolidation

Subsidiaries are entities over which the Company has control, where control is defined to exist when the Company is exposed to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date control is transferred to the Company, and are de-consolidated from the date control ceases. For the period ended March 31, 2018, the following subsidiaries of the Company were inactive and are in the process of being dissolved: Pearl Mining Ltd. (Uganda), Flemish Investments Ltd. (Uganda) and Flemish Investments Burundi SA (Burundi).

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

New accounting policies

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted. At January 1, 2018, the Company adopted this amendment and there was no material impact on the Company's condensed interim consolidated financial statements.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, reserves and deficit which at March 31, 2018 totalled $2,025,458 (December 31, 2017 - $3,411,173). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the period ended March 31, 2018. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity price risk).

Risk management is carried out by the Company's management team under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the period ended March 31, 2018.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash balances and amounts receivable. Cash is held with reputable banks, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist of sales tax receivable and refundable tax credits from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

4. FINANCIAL RISK FACTORS (Continued)

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2018, the Company had a cash balance of $2,843,508 (December 31, 2017 - $4,394,940) to settle accounts payable and accrued liabilities of $786,140 (December 31, 2017 - $122,862). All of the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit or interest bearing accounts at major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered banks. Management believes that interest rate risk is minimal as cash and cash equivalents investments have maturities of three months or less.

Foreign currency risk
The Company's functional and presentation currency is the Canadian dollar. Certain expenditures are transacted in foreign currencies. As a result, the Company is exposed to fluctuations in these foreign currencies relative to the Canadian dollar. As at December 31, 2017, approximately $183,993 of cash was held in US dollars (December 31, 2017 - $194,487). Approximately $nil (December 31, 2017 - $930) of account payable was held in US dollars.

Commodity price risk
Commodity price risk could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of commodities. Commodity prices have fluctuated widely in recent years. There is no assurance that, even as commercial quantities of base and/or precious metals may be produced in the future, a profitable market will exist for them. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which could have a material and adverse effect on the Company’s value. As at March 31, 2018, the Company is not a commodities producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

Based on management's knowledge and experience, the Company believes the following movements are “reasonably possible” over a one-year period:

(i) Based on cash and other working capital balances at March 31, 2018, held in currencies other than the Canadian dollar, a 10% change in the foreign exchange rates relative to the Canadian dollar would result in a corresponding foreign exchange gain or loss of approximately $18,400.

(ii) Based on cash balances at March 31, 2018, a 1% change in interest rates would result in a corresponding interest income change of approximately $26,600 for the one-year period.

(Expressed in Canadian Dollars)

5. CATEGORIES OF FINANCIAL INSTRUMENTS

	March 31 2018	December 31 2017
Financial assets:		
Loans and receivables		
Cash	$ 2,843,508	$ 4,394,940
Amounts receivable	-	-
FVTPL		
Investment	3,918	5,339
Financial liabilities:		
Other financial liabilities		
Accounts payable and accrued liabilities	$ 786,140	$ 122,862

As of March 31, 2018 and December 31, 2017, the fair value of all the Company's financial instruments approximates the carrying value, due to their short-term nature, except as disclosed in Note 7.

6. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	March 31 2018	December 31 2017
Sales tax receivable	$ 117,463	$ 26,124
Other receivable	1,837	-
Prepaid expenses and advances	5,868	13,122
	$ 125,168	$ 39,246

7. INVESTMENT

The Company's investment is classified as fair value through profit and loss ("FVTPL") and is carried at fair value. The balance is comprised of the following:

	Number of shares	March 31 2018	December 31 2017
First Mining Gold Corp.	8,612	$ 3,918	$ 5,339

The Company holds 8,612 (December 31, 2017 – 8,612) common shares of First Mining Gold Corp. The unrealized loss of $1,421 for the period ended March 31, 2018 (March 31, 2017 – $258) was recognized on the condensed interim consolidated statement of loss.

(Expressed in Canadian Dollars)

8. PROPERTY AND EQUIPMENT

	Exploration Equipment	Office Equipment	Total
December 31, 2017			
Opening net book amount	$ 180,000	$ -	**$ 180,000**
Dispositions	(180,000)	-	**(180,000)**
Closing net book amount (December 31, 2017 and March 31, 2018)	**$ -**	**$ -**	**$ -**

The Company sold its assets held for sale in February 2017 for $180,000.

9. EXPLORATION AND EVALUATION PROPERTIES

Canada

Brabant Lake Property – Saskatchewan

As at March 31, 2018, the Company held a 100% interest in certain claims forming the Brabant Lake property in Saskatchewan.

Pickle Lake Properties - Ontario

The Company holds a 51% interest in the Dorothy-Dobie Lake property and the Kasagiminnis property, both located in the Pickle Lake Greenstone Belt. The Company also has a 100% interest in the Pickle Lake Gold property which comprises certain claims acquired in 2009.

In June 2016 (with amendment on February 2, 2017), the Company entered into an agreement with White Metal Resources Corp. ("White Metal") whereby White Metal can acquire all of the Company's interest ("Earned Interest") in its above Pickle Lake Gold properties . White Metal may exercise the option and acquire the Earned Interest by completing all of the following expenditures and cash payments:

(i) pay $10,000 in cash to Murchison at the signing of the agreement (received);

(ii) pay $15,000 in cash to Murchison on or before the date which is 12 months from the date of the agreement (received);

(iii) pay $20,000 in cash to Murchison on or before the date which is 24 months from the date of the agreement.

(iv) spend $1,200,000 over three years beginning on the date of the agreement as follows:

- i. complete a work commitment of $900,000 on or before the date which is twenty-four (24) months from the date of the agreement (with at least $250,000 on drilling);
- ii. complete a cumulative work commitment of $1,200,000 on or before the date which is thirty-six (36) months from the date of the agreement (with at least $700,000 on drilling).

(v) once the Earned Interest is completed, Murchison will be entitled to a 1% net smelter return (the "NSR") of which fifty percent (50%) can be purchased by White Metal for $1,000,000 and the balance of the other fifty percent (50%) of the said NSR can be purchased for $1,500,000.

Upon completion of the option payments and expenditures, White Metal will deliver a notice to the Company setting out that it has exercised the option, and the date of the option notice shall be deemed to be the date in which White Metal's Earned Interest in the properties pursuant to the option shall be effective, subject to the Murchison's NSR.

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION PROPERTIES (Continued)

On July 27, 2017, White Metal assigned its option and right to acquire the Earned Interest to Ardiden Ltd., an Australian exploration company.

In August 2014, the Company entered into an agreement with Frontline Gold Corporation ("FGC") and White Metal whereby FGC acquired 100% of the Company's 51% interest and the 49% interest held by White Metal in two claims known as the Pickle Lake East property. The claims will be subject to a 2% NSR (1% for the Company and 1% to White Metal for which 0.5% can be purchased for $500,000 from each of White Metal and the Company).

HPM Property - Quebec

As at March 31, 2018, the property consisted of 51 claims on which Pure Nickel Inc. has a 50% interest.

10. SHARE CAPITAL

(a) Authorized Share Capital

The Company's authorized share capital consists of an unlimited number of common shares with no par value.

(b) Issued

	Number of Shares		Amount
Balance – December 31, 2016 and March 31, 2017	**25,290,095**	**$**	**26,587,242**
Balance – December 31, 2017 and March 31, 2018	**42,543,214**	**$**	**28,802,248**

11. WARRANTS AND FINDERS' WARRANTS

The following summarizes the warrants and finders' warrants activity for the three months ended March 31, 2018 and March 31, 2017:

	Number of Warrants		Issue Date Fair Value		Weighted Average Exercise Price
Balance - December 31, 2016 and March 31, 2017	**7,818,000**	**$**	**783,346**	**$**	**0.30**
Balance - December 31, 2017 and March 31, 2018	**12,662,970**	**$**	**1,241,802**	**$**	**0.28**

As at March 31, 2018, the Company had warrants and finders' warrants outstanding as follows:

Date of Issue	Number of Warrants	Exercise Price ($)	Issue Date Fair Value ($)	Expiry Date
August 10, 2016	4,670,400	0.30	482,058	August 10, 2018
August 31, 2016	3,147,600	0.30	301,288	August 31, 2018
December 15, 2017	3,879,942	0.24	364,495	December 15, 2019
December 21, 2017	965,028	0.24	93,961	December 21, 2019
	12,662,970		**1,241,802**	

(Expressed in Canadian Dollars)

12. STOCK OPTIONS

The Company maintains a stock option plan whereby certain key employees, officers, directors and consultants may be granted stock options for common shares of the Company. The maximum number of common shares that is issuable under the plan was fixed at 10% of the number of common shares issued and outstanding (a maximum of 5% of the number of common shares issued and outstanding may be held by any one person). Options expire after a maximum period of five years following the date of grant. Vesting provisions are determined at the time of each grant.

The following summarizes the stock option activity for the three months ended March 31, 2018 and March 31, 2017:

	Number of Stock Options	Weighted Average Exercise Price	
Balance - December 31, 2016	**2,308,300**	**$**	**0.42**
Expired	(6,100)		7.50
Balance – March 31, 2017	**2,302,200**		**0.40**
Balance - December 31, 2017	**2,133,800**	**$**	**0.39**
Issued (i)	1,435,000		0.19
Balance – March 31, 2018	**3,568,800**		**0.31**

(i) On January 10, 2018, the Company granted 1,435,000 stock options exercisable at $0.19 for 5 years to directors, officers and consultants of the Company. The grant date fair value of the these options of $245,385 was estimated using the Black Scholes valuation model with the following weighted average assumptions: risk free interest rate – 1.95%, expected volatility – 145%, expected dividend yield – 0%, expected forfeiture rate of – 0% and expected life – 5 years. The options vested immediately and the $245,385 fair value was recorded as share-based payment on the *Statement of Loss* for the three months ended March 31, 2018.

As at March 31, 2018, the Company had incentive stock options issued to directors, officers, employees and key consultants of the Company outstanding as follows:

Date of Grant	Options Outstanding(1)	Exercise Price ($)	Grant Date Fair Value ($)	Expiry Date	Weighted Average Remaining Contractual Life (years)
February 28, 2014	501,500	0.70	270,810	February 28, 2019	0.92
December 2, 2014	612,300	0.30	73,476	December 2, 2019	1.67
August 22, 2016	600,000	0.30	149,400	August 22, 2021	3.40
September 27, 2016	420,000	0.30	104,580	September 27, 2021	3.50
January 10, 2018	1,435,000	0.19	245,385	January 10, 2023	4.78
	3,568,800	**0.31**	**843,651**		**3.32**

(1) All options are exercisable.

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS

a) Remuneration of directors and the officers was as follows:

Three months ended March 31,	**2018**	**2017**
Salaries and benefits	$ 123,344	$ 53,888
Share-based payments	211,185	-
	$ 344,529	**$ 53,888**

For the period ended March 31, 2018, the salaries and benefits amount above includes $55,844 (2017 - $32,438) for fees invoiced by a corporation controlled by the CFO of the Company for his services and $67,500 (2017 - $21,450) for fees invoiced by a corporation controlled by the CEO of the Company for his services as CEO. Also, included in accounts payable and accrued liabilities at March 31, 2018 is $18,372 (December 31,2017 - $20,780) and $36,908 (December 31, 2017 - $nil) owed to corporations controlled by the CFO and CEO, respectively.

14. COMMITMENTS AND CONTINGENCIES

Flow-Through Obligation

As at March 31, 2018, the Company has to incur $414,449 in qualifying exploration expenditures by December 31, 2018 to meet its flow-through commitment. The Company keeps a separate bank account for the flow-through expenses to be incurred in a minimum amount equal to the flow-through obligation. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

Environmental

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Management Contract

The Company is party to a management contract. This contract requires that an additional payment of up to $500,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payment has not been reflected in these interim condensed consolidated financial statements. The minimum commitment upon termination of this contract is $225,000. The minimum commitment due within one year under the terms of this contract is $150,000.

14. COMMITMENTS AND CONTINGENCIES (Continued)

Litigation

In May 2017, a former director of the Company filed a claim under the Toronto Small Claims Court in an amount of $23,720. In June 2017, the Company filed a Defense Statement as it believes the claim is without merit. The Company also filed a Defendant's Claim against the former director in the amount of $25,000 for breach of fiduciary duty, negligence and negligent misrepresentation. A court date has been set for June 21, 2018. No amount has been accrued as at March 31, 2018.

End of Notes to Financial Statements

MURCHISON MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2018

This Management's Discussion and Analysis ("MD&A") is intended to supplement the condensed interim consolidated financial statements and notes of Murchison Minerals Ltd. (the "Company" or "Murchison") for the three months ended March 31, 2018. The unaudited condensed interim consolidated financial statements including comparative figures have been prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") applicable to preparation of interim financial statements. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and accompanying notes for the year ended December 31, 2017, which have been prepared in accordance with IFRS and available on the Company's web-site (www.murchisonminerals.com). This MD&A covers the most recently completed financial quarter and the subsequent period up to May 28, 2018. The information is presented in Canadian dollars unless stated otherwise.

OVERALL PERFORMANCE

Description of Business

Murchison is a Canadian based exploration company focused on the high-grade Brabant-McKenzie zinc-copper-silver deposit in north-central Saskatchewan. The Company also holds a 50% interest in the HPM Nickel/Copper/Cobalt project in Quebec and holds gold claims in the Pickle Lake area of northwestern Ontario which are currently under option to White Metal Resources Corp. The Company expects to acquire additional properties as attractive opportunities are identified. The Company does not have any projects that generate revenue at this time. The Company's ability to carry out its business plan in the future rests entirely on its ability to secure equity and other financings or realize cash from the sale of assets.

Trends

The financing, exploration and development of any properties the Company holds or may acquire in the future will be subject to a number of factors including the commodity prices for minerals, applicable laws and regulations, political conditions, currency fluctuations, the hiring of qualified people, and obtaining necessary services in jurisdictions where the Company operates. The current trends relating to these factors could change at any time and negatively affect the Company's operations and business. Apart from these, the risk factors noted under the heading "Uncertainties and Risk Factors" and "Forward Looking Statement" included in MD&A for the year ended December 31, 2017, management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

OUTLOOK

In December 2017, the Company raised $3.84 million which included $2.33 million in flow-through funds. These flow-through proceeds are being used to further advance the exploration on its mineral properties with the focus on the Brabant-Mackenzie project (the "Project") located in north-central Saskatchewan. The Company is continuing to size and de-risk the Brabant McKenzie deposit (the "Deposit") and is focused on determining its extents in order to apply economic parameters to determine the Deposit's development viability. The Deposit's current exploration target, based solely on known information up to the 2017 drill program in the geological model, is estimated to be between 9 and 11 million tonnes with similar grades as the current NI 43-101 resource estimate.

From January to March of 2018 the Company completed a 12,431 metre drill program, of which approximately 9,000 metres of drilling was carried out on the Deposit. The program focused on advancing the Deposit through potential resource expansion and a potential upgrade of the current NI 43-101 inferred resources into the higher indicated resource category.

The drill program also tested two new identified geophysical targets (Anomaly C and D) with six drill holes in order to determine whether the anomalies are sulphide related. Results from the program are expected in early June and the Company will include a full analysis of the results in order to provide context with respect to the Deposit, Anomaly C, Anomaly D and the overall Project development. While this drill program was extensive, the Company believes the Deposit continues to have additional potential for tonnage expansion and the Company will use the results as it plans next steps in the Deposit advancement. Based on these results the Company expects to complete an update of the current Deposit NI 43-101 resource estimate in late July or early August 2018.

The Company completed an extensive ground electromagnetic ("EM") and magnetic ("Mag") ground geophysical survey (the "Survey") in March/April 2018 along the previously announced Tom Trend geophysical anomaly located approximately 7 km south of the Deposit. Initial results obtained from the Survey were positive with a new geophysical target, the T2T, discovered approximately 1.5 kilometres north of TOM2 anomaly. The discovery is important in that it continues to demonstrate the VMS potential of the geological horizon that Murchison is exploring. The Company plans to conduct a regional summer program which will include detailed geological mapping, prospecting and sampling on both the TOM2 and T2T in order to further define both targets prior to the next drill program. The regional program will also look at other known mineral and geophysical prospects property wide, particularly south of the TOM2 geophysical anomaly. The Company is also planning a detailed geophysical survey over the Priority 3 airborne VTEM anomaly this summer in order to better define its dimensions and conductivity. The Company expects to include Priority 3 as a drill target and test it during the next drill program. Results from the summer program are expected in late August – early September 2018.

On March 22, 2018, Murchison started trading on the TSX Venture Exchange (the "TSXV") as a Tier 1 issuer under its existing symbol "MUR" and delisted from the Canadian Securities Exchange (CSE).

MINERAL PROPERTIES – EXPLORATION ACTIVITIES

Brabant Property – Saskatchewan

The Brabant property is owned 100% by Murchison and is strategically located along Highway 102 approximately 175 kilometres northeast of the town of La Ronge and near major infrastructure, including grid power. The Brabant property consists of the Deposit and numerous additional zinc and copper occurrences and geophysical anomalies over approximately 17 kilometre strike of favourable geological horizon, all of which remain under-explored and mostly untested. The Project area shares geological characteristics, including similar age, with the Flin Flon volcanogenic massive sulphide (VMS) mining camp in Manitoba.

In October 2017, (with minor revisions on March 13, 2018), Murchison published an updated NI 43-101 mineral resource estimate (the "Estimate") which is reflected in the table below.

Category	**Tonnes**	**Zn%**	**Cu%**	**Pb%**	**Ag (g/t)**	**Zn Eq%**
Indicated	1,500,000	7.46	0.70	0.39	31.2	10.01
Inferred	4,500,000	5.99	0.62	0.28	19.4	7.99

The Estimate for the Deposit was determined on the basis of:

- Drilling results to March 21, 2017 and including historical diamond drilling used in the previous NI-43-101 resource estimate completed in 2008;

- US$ metal prices of $1.20/lb Zn, $2.50/lb Cu, $1.00/lb Pb, $16.00/oz Ag and $1,200/oz Au;
- CDN$:US$ exchange rate of $1.10;
- An NSR cut-off of $110/tonne or 5% Zn equivalent based on above metal prices;
- Average metallurgical and payable recovery of 75% for all metals;
- Indicated Resources were calculated using a two-hole minimum and a maximum distance of 30 m from a diamond drill hole; and
- Inferred Resources were calculated using a no-hole minimum and a minimum of 30 m and a maximum distance of 60 m from a diamond drill hole was used for inferred.

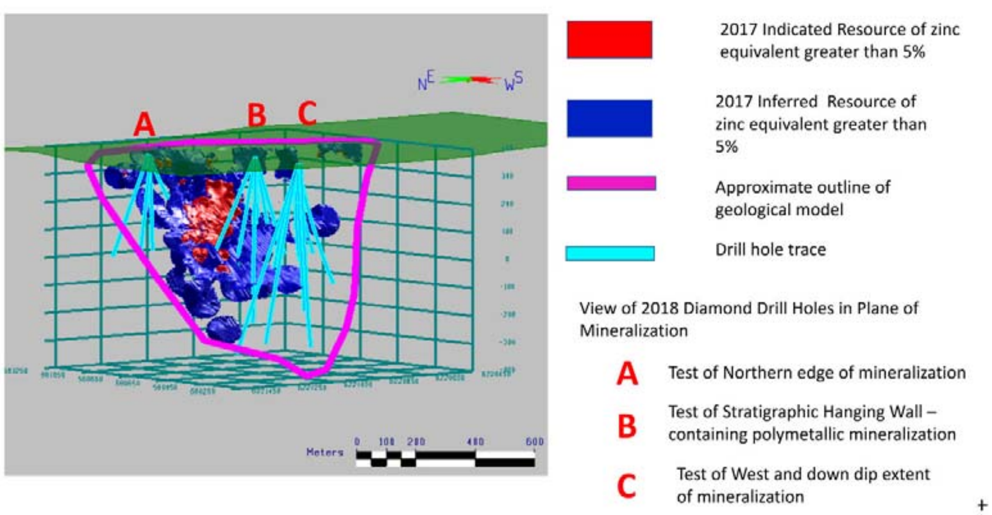
Between January and March 2018, the Company completed a 12,431 metre winter drill program at the Brabant property. The 25-hole program focused on three drill targets, the Deposit, Anomaly C and Anomaly D.

The drill program on the Deposit was designed to potentially expand the tonnage of the current NI 43-101 resource and, where possible, infill and upgrade inferred resources to the indicated category. The program was also designed, where possible, to identify higher grade areas of the Deposit. The Company completed 19 diamond drill holes for a total of 9,004 metres from three drill pads - A, B and C. (See Figure 1 and Table 1)

Four holes were drilled from Pad A and focused on the untested areas on the northern edge of the Deposit. Six holes were drilled from Pad B and were designed to test both the lateral areas of the Deposit as well as a polymetallic zone located stratigraphically above the main mineralized zones. This zone could not be included in the 2017 NI 43-101 resource estimate as the continuity of mineralization was not fully understood. The program's objective for these holes was to demonstrate enough mineral continuity in the zones to allow for increase tonnage and the potential calculation of a new resource estimate.

Nine holes were drilled from Pad C and focused laterally and on the previously untested area down dip from the bottom of the Deposit at approximately 600 metres towards last year's drill hole BM17-09 where mineralization was intercepted at approximately 950 metres.

Figure 1. View of 2018 Drill Hole Traces on Brabant-McKenzie Deposit



Anomaly C and D were identified as new drill targets during the 2017 geophysical and prospecting programs. The Company completed approximately 3,427 metres in six diamond drill holes on both targets. See Figure 2, Figure 3 and Table 1.

Anomaly C conductor plate is located approximately 1.4 kilometres south of the Deposit. Approximately 1,215 metres were completed in two drill holes on this target. The plate top edge begins at approximately 300 metres below surface. The program was designed to test the highest conductivity and any associated sulphide mineralization within the modelled conductor plate.

Figure 2. View of 2018 Drill Hole Traces on Anomaly C

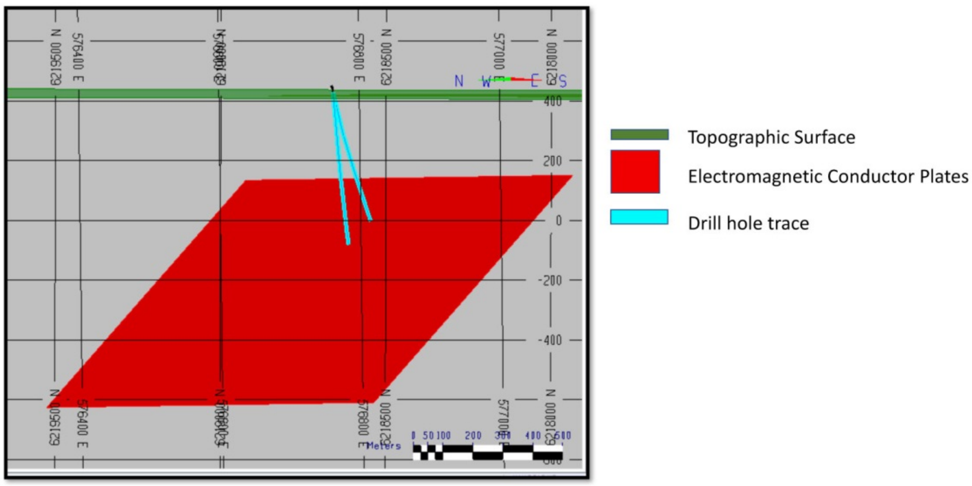
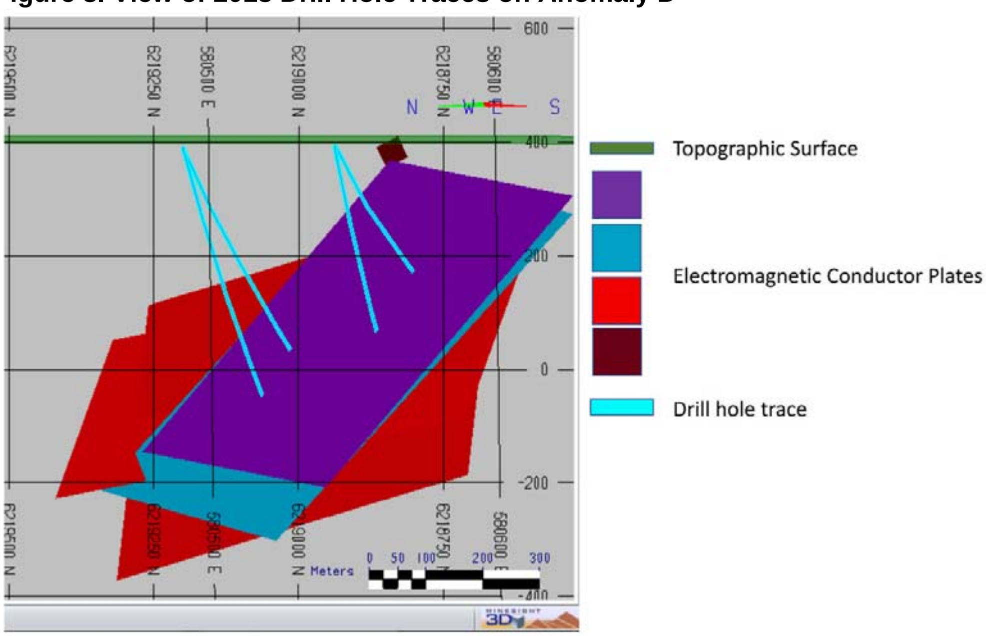


Figure 3. View of 2018 Drill Hole Traces on Anomaly D



Anomaly D conductor plate is a near-surface target located approximately 1.5 kilometres southeast of the Deposit. The plate top edge begins at 20 metres below surface. Anomaly D is a high conductivity target (2,300 seimens) and similar in dimensions to the Deposit, measuring approximately 800 metres by 800 metres. The Company completed approximately 2,212 metres in four drill holes from two drill pads. The program was designed to test for sulphide mineralization associated with increasing conductivity at depth within the modelled conductor plates.

Over 900 core samples were sent for assay during the program and submitted to SRC Laboratories in Saskatoon, Saskatchewan. Further QAQC is being completed by ALS Labs in Vancouver.

The Company plans to release the full results once all assays are received. Murchison will also provide a comprehensive analysis of the results in order to provide context to the Deposit and the Project development.

On May 22, 2018, the Company reported results from recent geophysical surveys on the Project as it continues to advance the Deposit and several exploration targets around the Deposit.

Murchison completed an extensive ground Time Domain Electromagnetic ("TDEM") survey (the "Survey") to the northeast of the TOM2 target. TOM2 was previously defined as a highly conductive (6,000 siemens) EM and coincident Mag body located in close proximity to anomalous surface geochemical values.

Figure 4. TOM2 and T2T Ground TDEM Anomalies

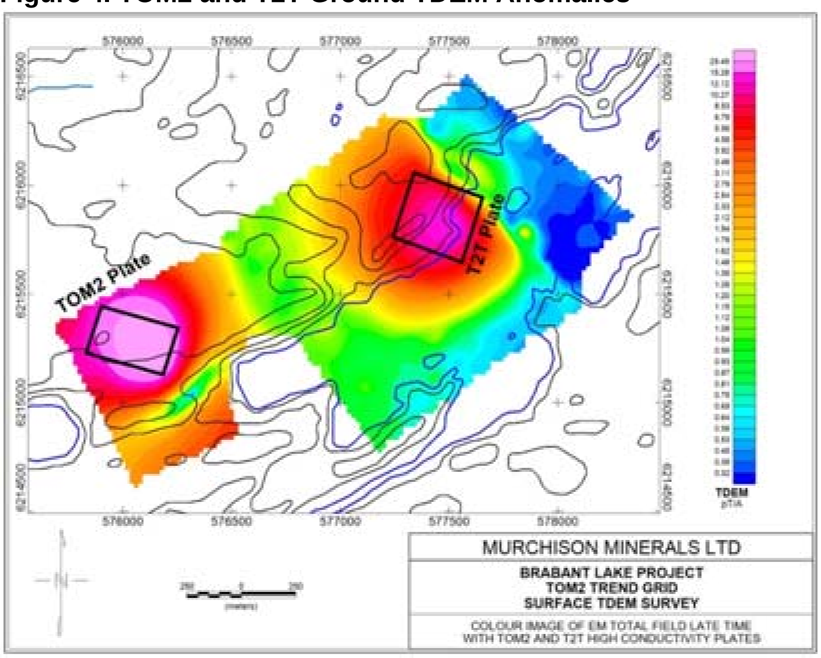
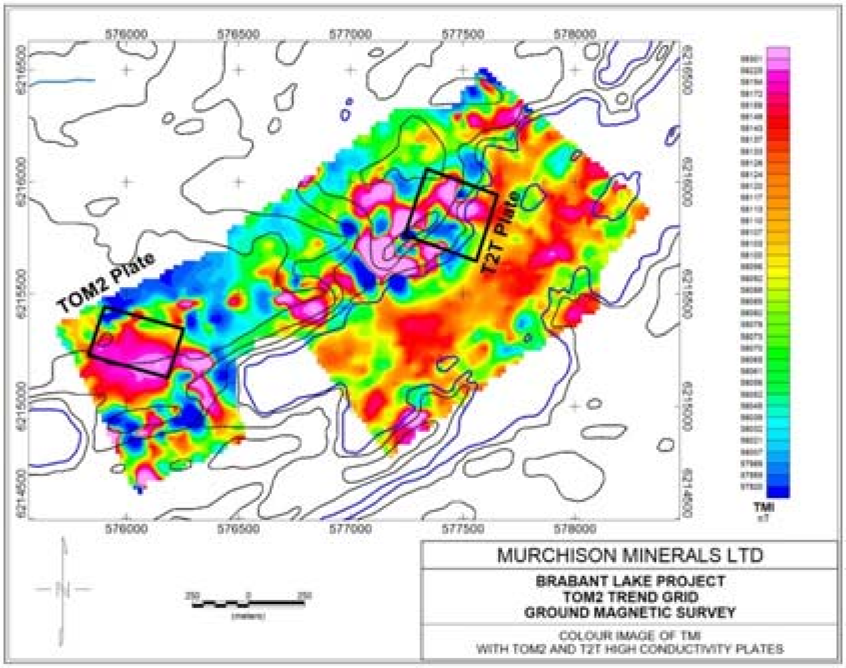


Figure 5. TOM2 and T2T Ground Magnetic Anomalies



The Survey identified a significant conductor ("T2T") located approximately 1.5 kilometres northeast of the TOM2 conductor and 7.0 kilometres south of the Brabant-McKenzie deposit. See Figures 4 and 5. Modelling indicates a body measuring 400 metres by 310 metres at a depth of 184 metres. The T2T EM response has a conductivity exceeding 4,400 siemens and is coincident with anomalous magnetic responses similar to the TOM2 target. In addition to the Anomaly C, D and TOM2 drill targets as well as Priority 3 anomaly, the identification of this conductor is significant because it adds another drill target to the Project and continues to demonstrate the VMS potential of the geological horizon Murchison is exploring.

The Survey was conducted on the TOM Trend geophysical anomaly and was designed to further define a number of airborne anomalies previously identified. The Survey consisted of a ground EM and Mag survey covering five survey grids. The combined grids extended from the TOM2 target to the northeast for approximately 4.5 kilometres and covered approximately 40 line kilometres.

For the three months ended March 31, 2018, the Company incurred $1,917,722 (2017 - $919,087) in exploration expenses on the Brabant property.

Pickle Lake Properties – Ontario

On July 4, 2016, (with amendment on February 2, 2017), the Company entered into an Agreement with White Metal Resources Corp. ("White Metal") whereby White Metal can acquire all of the Company's 51% interest ("Earned Interest") in its Pickle Lake Gold properties (the "Properties"). White Metal may exercise the option (the "Option") and acquire the Earned Interest by completing expenditures and making cash payments.

Upon completion of the Option Payments and Expenditures, White Metal will deliver a notice to the Company (the "Option Notice") setting out that it has exercised the Option, and the date of the Option Notice shall be deemed to be the date in which White Metal's Earned Interest in the Properties pursuant to the Option shall be effective, subject to the Murchison's NSR.

On April 7, 2017, White Metal assigned its option and right to acquire the Earned Interest to Ardiden Ltd., an Australian exploration company.

HPM Property – Quebec

The HPM project is a 50:50 joint venture with Pure Nickel Inc. No exploration activities were conducted on the HPM project during the three months ended March 31, 2018. For the quarter then ended, the Company incurred $720 (2017 - $823) in claim maintenance and renewal expenses for the HPM project.

Qualified Persons

Exploration programs at the Company’s project in Saskatchewan are being carried out under the supervision of Kent Pearson, P. Geo., Finley Bakker, P. Geo.,and Martin St-Pierre, P. Geo., “Qualified Persons” as defined by National Instrument 43-101. Mr. Bakker and Mr. St-Pierre are independent consultants to Murchison and the Project. Mr. Pearson is President and Chief Executive Officer of Murchison. Mr. Pearson, Mr. Bakker and Mr. St-Pierre have supervised the preparation of, and confirmed all of the scientific and technical disclosure in this MD&A.

Access to Properties

The Company’s access to its Canadian properties is dependent on climate and weather conditions. The Brabant property in Saskatchewan is accessible all year round. Typically, properties in Ontario are generally accessible all year round. All projects in Québec can be accessed from January to September as weather limits the activities during other times of the year.

RESULTS OF OPERATIONS

For the three months ended March 31, 2018, the Company incurred a loss of $1,631,100 (2017 - $710,329). The increase of $920,771 is mainly related to the following factors: **1.** higher exploration expenses in Canada of $997,812 (2018 - $1,917,722 vs 2017 - $919,910) as the Company completed a 12,431 metre drill program in Q1/18 compared to 5,653 metre program a year earlier at the Project in Saskatchewan; **2.** higher share-based payments of $245,385 (2018 - $245,385 vs 2017 - $nil) as the Company granted stock options in January 2018. **3.** higher management fees and salaries of $69,457 (2018 - $123,344 vs 2017 - $53,887) related to $50,000 paid in bonuses and the increase in the CEO’s compensation to reflect the full time nature of the position; **4.** higher regulatory and transfer agent expense of $33,654 (2018 - $42,080 vs 2017 - $8,426) directly related to the TSXV listing in Q1/18, offset by; **5.** higher non-cash flow-through shares related income of $418,137 (2018 - $744,494 vs 2017 - $326,357) as the Company recognized the income based on the higher level of exploration activities in Canada in Q1-2018.

For the quarter ended March 31, 2018, exploration expenses totaled $1,918,442 (2017 - $919,910) with $1,917,722 (2017 - $919,087) at Brabant in Saskatchewan and $720 (2017 - $823) in claims renewal at HPM in Quebec.

SUMMARY OF QUARTERLY RESULTS

	First Quarter 2018	Fourth Quarter 2017	Third Quarter 2017	Second Quarter 2017
	$	$	$	$
Total Assets	2,972,594	4,439,525	1,088,054	1,264,424
Current Assets	2,968,676	4,434,186	1,082,241	1,258,470
Non-current Assets	3,918	5,339	5,813	5,684
Total Liabilities	947,136	1,028,352	96,624	141,247
Interest Income	9,653	2,751	1,820	1,827
Loss	1,631,100	253,719	131,747	84,011
Loss Per Share (1)	0.04	0.01	0.01	0.00

	First Quarter 2017	Fourth Quarter 2016	Third Quarter 2016	Second Quarter 2016
	$			
Total Assets	1,454,540	$2,391,094	$2,608,713	$381,757
Current Assets	1,447,478	$2,383,774	$2,313,993	$87,037
Non-current Assets	7,062	$7,320	$294,720	$294,720
Total Liabilities	247,352	$473,577	$495,259	$105,831
Interest Income	4,203	$4,699	$1,369	$2
Loss (profit)	710,329	$195,937	$382,853	($7,246)
Loss Per Share (1)	0.03	$0.01	$0.02	$0.00
(i) Loss per share remains the same on a diluted basis				

Due to the nature of the business, the cash balance and short-term investments generating interest income are subject to fluctuations from quarter to quarter. The timing of equity financing and ensuing exploration and operating expenses are the main factors affecting the level of funds invested from time to time. The variation in interest rates also has an impact on the interest income.

In Q1-2018, the Company completed a 12,431 drill program along with geophysical surveys at the Project in Saskatchewan at a cost of $1,917,722. In Q4-2017, the Company completed a non-brokered private placement of units and flow-through shares for gross proceeds of $3,839,189 which triggered the recognition of a $905,490 non-cash flow-through share liability. In Q1-2017, the Company was actively drilling at the Project in Saskatchewan and incurred $919,910 in exploration. This amount was offset by $326,357 of non-cash flow-through shares related income. In Q3-2016, the Company completed a non-brokered private placement in two tranches for net proceeds of $2.4 million. This had a direct impact on the interest income as well as total current assets and total assets. Also in Q3, 2016, the Company granted stock options to its directors, officers and consultants which generated a non-cash share-based payment expense of $266,430. In Q2-2016, the profit of $7,246 is a direct result of a $33,514 gain on sale of assets held in Africa combined with lower management fees as the CEO and CFO provided services to the Company without compensation during the quarter.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2018, the Company had no debt, cash of $2,843,508 and working capital (excluding flow-through share liability) of $2,182,536 (December 31, 2017 – $4,394,940 and $4,311,324, respectively). The Company's excess cash, when available, is deposited into interest-bearing accounts or invested in redeemable GICs with major Canadian chartered banks.

As at March 31, 2018, the Company had amounts receivable and prepaid expenses totaling $125,168 which included sales tax receivable of $117,463, prepaid expenses of $5,868 and other receivables of $1,837.

The March 31, 2018, condensed interim consolidated financial statements were prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. The Company's ability to continue as a going concern is always dependent on its ability to raise new funds to meet its obligations and continue its exploration activities.

Equity Financing

The Company's exploration projects are at an early stage and it has not yet been determined whether any of its properties contain economically recoverable ore. As a result, the Company has no current sources of revenue and has relied on the issuance of shares to generate the funds required to further its projects.

Stock Options

During Q1-2018, the Company granted 1,435,000 stock options exercisable at $0.19 to its officers, directors and key consultants. The options are for a period of 5 years and vested immediately.

General

The Company's ability to successfully acquire mineral projects or recover amounts expended on mineral properties is conditional on its ability to secure financing when required. The Company expects to meet additional financing requirements through equity financing. The Company may seek other alternatives for financing in the future depending on market conditions and exploration results; however, there can be no assurance that such financing attempts will be successful. The impact on our business and the cost and availability of financing remain uncertain and could affect our overall liquidity.

Commitments and Obligations

As at March 31, 2018, the Company had to incur $414,449 in qualifying exploration expenditures by December 31, 2018 to meet its flow-through commitment.

The Company is party to a management contract. This contract requires that an additional payment of up to $500,000 be made upon the occurrence of certain events such as a change of control. As a triggering event has not taken place, the contingent payment has not been reflected in these condensed interim consolidated financial statements. Minimum commitment upon termination of this contract is $225,000. Minimum commitment due within one year under the terms of this contract is $150,000.

In May 2017, a former director of the Company filed a claim under the Toronto Small Claims Court in an amount of $23,720. In June 2017, the Company filed a Defense Statement as it believes the claim is without merit. The Company also filed a Defendant's Claim against the former director in the amount of $25,000 for breach of fiduciary duty, negligence and negligent misrepresentation. A court date has been set for June 21, 2018.

The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company has no long-term contractual obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

a) Remuneration of directors and the officers was as follows:

Three months ended March 31,	2018	2017
Salaries and benefits	$ 123,344	$ 53,888
Share-based payments	211,185	-
	$ 344,529	**$ 53,888**

For the period ended March 31, 2018, the salaries and benefits amount above includes $55,844 (2017 - $32,438) for fees invoiced by a corporation controlled by the CFO of the Company for his services and $67,500 (2017 - $21,450) for fees invoiced by a corporation controlled by the CEO of the Company for his services as CEO. Also, included in accounts payable and accrued liabilities at March 31, 2018 is $18,372 (2017 - $7,928) and $36,908 (2017 - $24,720) owed to corporations controlled by the CFO and CEO, respectively

PROPOSED TRANSACTIONS

The Company continues to evaluate quality exploration projects and financing opportunities. There are no transactions currently pending.

CHANGES IN ACCOUNTING POLICIES

IFRIC 23 – Uncertainty Over Income Tax Treatments ("IFRIC 23") was issued in June 2017 and clarifies the accounting for uncertainties in income taxes. The interpretation committee concluded that an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment. If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, then the entity shall determine taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses and credits or tax rates. IFRIC 23 is effective for annual periods beginning on or after January 1, 2019. Earlier adoption is permitted. At January 1, 2018, the Company adopted this amendment and there was no material impact on the Company's condensed interim consolidated financial statements.

FINANCIAL INSTRUMENTS

	March 31 2018	**December 31 2017**
Financial assets:		
Loans and receivables		
Cash and cash equivalents	$ 2,843,508	$ 4,394,940
Amounts receivable	-	-
FVTPL		
Investments	3,918	5,339

Financial liabilities:		
Other financial liabilities		
Accounts payable and accrued liabilities	$ 786,140	$ 122,862

As of March 31, 2018 and December 31, 2017, the fair value of all the Company's financial instruments approximates the carrying value, due to their short-term nature, except as for the investment which is presented at fair value.

As at March 31, 2018, the Company's financial instrument *Investment* on the condensed interim consolidated statements of financial position was recorded at level 1 with a fair value of $3,918 (December 31, 2017 - $5,339).

Significant accounting judgments and estimates:
The preparation of condensed interim consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the condensed interim consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas that require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to the following:

- ***Assets' carrying values and impairment charges***
  In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- ***Income and other taxes***
  Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

  Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

  Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

  A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

- ***Share-based payments***
  Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based non-vested share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgments used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates. The Company currently estimates the expected volatility of its common shares based on historical volatility taking into consideration the expected life of the options and warrants.

Capital Management:

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions and

- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, reserves and deficit. The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the quarter ended March 31, 2018 and the year ended December 31, 2017. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

ADDITIONAL INFORMATION

Outstanding Shareholders' Equity Data
As of May 28, 2018, the following are outstanding:

• Common Shares	42,543,214
• Stock Options	3,568,800
• Warrants	12,662,970

Uncertainties and Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

In addition to the risks outlined the December 31, 2017 annual MD&A, Murchison has identified the extreme volatility occurring in the financial markets as a significant risk for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those they perceive as less so. Companies like Murchison are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investor sentiment may make it difficult for the Company to access the capital markets to raise the funds required for its future expenditures.

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements based on the Company’s current expectations. Forward-looking information can often be identified by forward looking words such as “anticipate”, “believe”, “expect”, “goal”, “plan”, “intend”, “estimate” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance.

These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those presented in this document. Accordingly, the Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change, unless required by law. Readers are cautioned not to place undue reliance on forward-looking information.