



MANAGEMENT DISCUSSION AND ANALYSIS

Dated August 27, 2018

For the six-month period ended June 30, 2018

(Form 51-102F1)

This Management's Discussion and Analysis (MD&A) reviews the activities of Conquest Resources Limited ("Conquest", or the "Company") and compares the financial results for the six-month period ended June 30, 2018 with those of the six-month period ended June 30, 2017.

For a more complete understanding of the Company's financial condition and results of operations, this MD&A should be read together with the condensed interim consolidated financial statements and the accompanying notes for the six-month period ended June 30, 2018, a copy of which is filed on the SEDAR website.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"), and these statements are filed with the relevant regulatory authorities in Canada. Conquest is a reporting issuer in Ontario, British Columbia and Alberta and trades on the TSX Venture Exchange under the symbol CQR.

All monetary amounts are in Canadian dollars unless otherwise stated.

COMPANY OVERVIEW

Conquest Resources Limited is a mineral exploration company engaged in the exploration of mineral properties in Ontario. The Company's principal exploration target is gold.

Conquest holds a 100% interest in the Golden Rose Property located at Emerald Lake, sixty-five (65) kilometres northeast of Sudbury, Ontario. The thirty-three (33) easily accessible legacy patented and staked mining claims encompass 770 hectares and the former Golden Rose Gold Mine, located deep within the regionally large, unexplained Emerald Lake (Temagami) Anomaly, which closely resembles the magnetic signature of the adjacent Sudbury Basin.

Conquest's exploration strategy at Golden Rose is to target structurally controlled gold mineralization lying along two prospective horizons of Algoman-type Banded Iron Formation, which trend northeastward across the entire strike length of the Golden Rose property. At the Golden Rose mine itself, numerous high-grade gold intersections through the mine sequence support Conquest's geological interpretation of the potential for additional stacked, and parallel, ore shoots, with ore-grade mining widths and strike continuity, located above, below and as extensions of the existing Golden Rose mine workings. In addition, Conquest has identified eight high priority geophysical targets associated with magnetic and EM conductive anomalies, considered favourable for gold exploration, all lying along the two prospective BIF horizons and with five of the targets located in parts of the property which have been largely unexplored.

Conquest holds an undivided 100% interest in the Alexander Property located in the Red Lake mining camp in Ontario. A 2% net smelter royalty was reserved at the time of acquisition by the previous owner, a holding company, which is controlled by the Chairman of Conquest. Conquest is the operator of the Alexander Property.

Conquest holds a 100% interest in the **Smith Lake Property** which consists of six (6) patented mining claims and sixteen (16) legacy staked mining claims covering approximately 2,915 hectares of land located within the Missanabie-Goudreau Greenstone Belt in Leeson, Stover, Brackin and Rennie Townships in northern Ontario. The claim group is situated adjacent to the patented mining claims and include lands lying to the north, west and south of the Renabie gold mine.

Conquest holds the **King Bay Property** at Sturgeon Lake, Ontario, approximately 100 kilometers north of Ignace in the Thunder Bay Mining Division. The property lies over King Bay, an inlet on the western shore of Sturgeon Lake.

At June 30, 2018, Conquest had invested a cumulative total on exploration activities of \$232,980 on the Golden Rose Property, \$6,244,976 on the Alexander Property, \$1,244,462 on Smith Lake and \$999,196 on King Bay. These values may not reflect the realizable value of the properties if they were offered for sale at this time.

At June 30, 2018, the Company had not achieved profitable operations and expects to incur further losses in the development of its business. The Company has relied on equity financing to fund its working capital requirements. On January 29, 2018 the Company completed a \$535,281 private placement with proceeds to be used for exploration at Golden Rose and general operating expenses. The Company will need to generate additional financial resources to fund future planned exploration programs.

There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms. There is no assurance that the Company will continue to obtain additional financial resources and/or achieve positive cash flows or profitability. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations.

MINERALS PROPERTIES OF THE COMPANY

GOLDEN ROSE PROJECT

In December 2017, Conquest acquired a 100% interest in the Golden Rose Property, located at Emerald Lake 65 kilometres northeast of Sudbury, Ontario. A portion of the Golden Rose property comprising the staked claims is subject to a 1.5% NSR held by Osisko Gold Royalties Ltd., and the remaining patented claims and leases are subject to a 2% NSR held by EnerMark Inc.

The Golden Rose property is underlain by highly prospective Abitibi greenstone geology, with two parallel (North and South) Banded Iron Formation ("BIF") zones. Between 1935 and 1941, mining operations of Consolidated Mining and Smelting Company of Canada, Limited (Cominco) produced 48,000 ounces of gold from structurally controlled, shallow to steeply dipping, high-grade quartz-pyrite veins, hosted almost exclusively in the Banded Iron Formation (North BIF). Although reported as profitable at the time, operations were suspended due to World War II.

Only limited development work has taken place on the property since that time, including some extended underground development by Noramco in 1986-1987. The Golden Rose mine workings (currently flooded) consist of more than six kilometres of underground workings, as well as a three (3) compartment, 228-metre-deep shaft, and a decline ramp from surface to the 6th level of the mine. An inclined winze connects the 6th and 7th levels to the 5th level of the mine. Most gold production took place above the 300-foot Level.

Diamond drilling of the mine sequence BIF in 1984, oriented south-to-north, intersected numerous high-grade gold intercepts with assays up to 13.05 oz./ton over 0.71 m. This drill campaign led to reopening and mine development by Noramco between 1986-87 which included widening of the mine adit and portal down to the 600-foot level and minimal gold production.

Further surface drilling by Gold Finder Explorations Ltd., oriented from north-to-south, between 2008 and 2011 identified rich gold mineralization adjacent to known underground development. These high-grade intersections include assays up to 543 g/t Au over 0.98 metres and composite gold assay intervals of 17.91 g/t over 2.3 metres and 8.66 g/t over 10.5 metres.

Data Compilation

Throughout 2018 to date, Conquest has undertaken an extensive compilation of all historical mining and exploration records at both the Golden Rose property and surrounding area. Conquest's compilation and data mining exercise has resulted in the development of a preliminary 3D-digital transformation of historical mine maps, sections and drill logs, with historical drill hole traces. This new model incorporates available information from more than six (6) kilometres of underground workings and 450 drill holes, in addition to compiled surface geological mapping, geochemistry, and historical geophysical surveys.

Geological Re-Interpretation

Stratigraphy at the Golden Rose Mine consists generally of a North Volcanic Unit (massive and pillow volcanics), Banded Iron Formation, and a South Volcanic Unit (mafic volcanics). This stratigraphy is oldest in the north and youngest towards the south. Facies types within the BIF have been previously well documented along a significant strike distance within the mine workings.

Conquest's program of relogging historical (2008-2011) drill core recovered from the mine site has identified previously unmapped stratigraphic units within the North Volcanic Unit (mafic volcanic). These include Upper and Lower Marker Chert horizons and a flow-banded, sulphide-rich, rhyolite horizon lying stratigraphically below the Banded Iron Formation.

Conquest's relogging work has also identified ten (10) distinctive vein morphologies at the mine site, of which two appear particularly important for gold mineralization. In addition, four (4) distinct alteration zones are recognised with mineralization. Structural indicators support definition of both the mine orebody geometry and further imply that other parallel zones of mineralization may be present. Furthermore, these zones of quartz-ankerite vein mineralization and associated alteration have orientations and geometries that are predictive.

The relogging work also confirms a stratigraphy younging direction towards the south which implies that the BIF of the South Island is a structural repetition of the Mine sequence stratigraphy.

Relogging has also suggested that, contrary to previous interpretations, mafic volcanics of the overlying South Volcanic Unit stratigraphy, which consists of fine to coarse pyroclastics and crystal tuff, post-dates the gold-bearing quartz vein emplacement at the mine site.

Finally, the identification of fragments of massive sulphide in the South Volcanic Unit suggests the presence of previously unrecognized massive sulphide mineralization which post-dates gold mineralization at the Golden Rose mine and which may be associated with the unexplained Emerald Lake (Temagami) Anomaly.

Airborne Geophysics

The Company completed a helicopter-borne Versatile Time Domain Electromagnetic (VTEM™ Plus) and Aeromagnetic Geophysical Survey that was carried out by Geotech Ltd., over the Golden Rose Mine project area in March 2018. During this survey, in total, 179-line kilometers of VTEM data and horizontal magnetic gradiometer geophysical measurements were collected over the Golden Rose property, along flight transverse lines spaced at 100 m apart and tie lines spaced at 1000 m apart, using an Aerospatiale A-Star 350 B3 helicopter, owned and operated by Geotech Aviation Ltd.

The primary objectives of the helicopter-borne geophysical survey and the interpretation of the acquired data were to derive detailed lithological and structural maps of the Golden Rose property area and to delineate new favourable areas for detailed exploration of gold and/or other mineralization and related alteration zones.

Data processing was performed by Geotech Ltd. in Aurora, Ontario with the final report delivered to Conquest in June 2018 (Geotech Ltd, 2018). Based on the combined magnetic and electromagnetic data interpretation outcomes, at least 20 targets associated with magnetic and EM conductive anomalies and favourable for gold exploration, were identified and delineated within the Golden Rose Property.

The 3D magnetic interpretation and inversion results provided a detailed structural map of the property, which includes the outlines of the magnetic structures and the main faulting systems that affect the survey area. These structures suggest an affinity for both BIF and mafic/ultramafic rocks (possibly komatiites) to represent the main host/control of gold mineralization, and related sulphides and alteration zones. The results suggest the presence of numerous very highly magnetic features characterized by various lengths (100-1000m) and stretching in the northeast direction in general across two parallel zones.

These inversion results, suggesting the presence of a broad magnetic zone of 1.5 × 5 km in size, dominating the survey area and stretching in the NE direction also suggest an association to a deep-seated magnetite/hematite-rich alteration zone that surrounds the highly magnetic features.

Eight prioritized targets

Initial prioritization of eight (8) areas has been completed in consultation with Geotech. The eight (8) prioritized targets all occur within favourable geological settings (lithological and structural control) and are being explored for potential gold mineralization associated with magnetic horizons. Each of these areas is interpreted to be associated with Banded Iron Formation, mafic volcanics, and quartz-feldspar porphyry intrusions that occur along the two prospective horizons of Algoman-type Banded Iron Formation crossing the Golden Rose property.

Geophysical modelling results of the selected target areas have provided parameters including thickness, which ranges between 10-20 meters, strike length, and depth to target, with seven of eight targets within 50 meters of the surface.

EXPLORATION AREAS

The Golden Rose property has been subdivided into four (4) exploration areas based on geology, geography and the airborne VTEM geophysical survey as follows:

- Mine Area
- South Island Zone
- North BIF Zone
- South BIF Zone

Mine Area

This area includes the entire peninsula at Emerald Lake which hosts the Golden Rose Gold Mine.

Core relogging, re-interpretation of compiled geological data and the new geophysics suggest that several areas of the Golden Rose Mine are open for delineation of additional gold mineralization. High-

grade gold drill intersections in both 1984 and between 2008 and 2011 imply that ore zones in the mine are open along trend at depth to the east, as well as both above the mine workings to the east and below the mine workings to the west. Conquest's ongoing reinterpretation of existing and new data has identified several recommended drill targets at the Golden Rose Mine site.

The Mine Area also includes two (2) geophysical areas of interest termed C1 and C1' targets respectively. Target C1 is located near the western edge of the old Golden Rose mine and suggests near-surface mineralization along an 86 metre strike length. The second anomaly, C1', is located approximately 700 metres northeast of the mine shaft at the boundary between quartz-arenite and mafic lithologies of the North Volcanic Unit and is approximately 300 metres long.

In addition, Conquest's recent mapping has identified a quartz-feldspar porphyry near the eastern edge of the peninsula that contains thin, sulphide-bearing, low-angle, south dipping quartz veins resembling veins at the Golden Rose Gold Mine.

South Island Zone

In the South Island Zone, which is located immediately south of the Golden Rose mine, the South BIF represents the south limb of the regional synclinal structure and therefore correlates to the Golden Rose Mine stratigraphy. A large geophysical anomaly termed C2 has a 400-metre strike length, is a near-surface geophysical anomaly, and covers approximately 75% of the entire island. Widespread disseminated sulphide mineralization is reported from this island and is the focus of exploration on the South Island.

Although a detailed geological map exists over part of the South Island, only one historical drill hole (W-1) was completed at the westernmost edge of the island and was drilled to investigate the unconformity with an overlying chert-clast conglomerate. This hole is located west of the large geophysical anomaly defined by Conquest's VTEM geophysical survey.

North BIF Zone

Several of the VTEM geophysical anomalies occur along the northernmost, northeast-trending BIF in the eastern portion of the property approximately 2.5 to 4 kilometres east of the mine. This area has been termed the North BIF Zone for identification purposes. This horizon is interpreted to be the strike extension of the Golden Rose mine stratigraphy. The North BIF has undergone historical exploration and has reported both gold and base metal mineralization in outcrop and drill holes. Eight (8) drill holes were completed on this zone between 1987 and 1988. Several of these holes are proximal to the new VTEM geophysical anomalies. Visible gold was reported from one of these drill holes.

South BIF Zone

The South BIF Zone is postulated to correlate with stratigraphy at the Island Zone. Five (5) historical diamond drilling holes were completed at the South BIF Zone but only one is closely coincident with the Company's VTEM geophysical survey anomalies. Interestingly, one drill hole encountered a seven (7) meter thick interval of 50% - 80% massive pyrrhotite with gold assays up to 0.15 oz./ton, and one indication of visible gold. Shallow surface trenches are present along the South BIF and show strong sericite-silica alteration and sulphide mineralization. The width of one such alteration/sulphide zone has a width greater than fifty (50) metres at surface.

Based on preliminary examination of all four areas Conquest believes that each of the areas has the potential for the discovery of gold mineralization.

Aboriginal Consultation

Conquest has initiated consultations with the Temagami First Nation and Teme Augama Anishnabai regarding the Company's exploration activities at Emerald Lake within the traditional lands and waterways occupied and used by the Temagami First Nation/Teme Augama Anishnabai. Conquest has provided preliminary information to the communities and has attend meetings with the Chiefs and Councils and anticipates signing an MOU or Exploration Agreement to address any accommodation requirements that may be identified.

Summer 2018 Field Programs

For several weeks in July 2018 the general area surrounding the Golden Rose property was the site of extensive forest fire closure areas resulting from extremely dry conditions and numerous lightning strikes. Road access to the project site was closed to all but essential personnel and evacuations either recommended or ordered. The Golden Rose project site itself sustained minimal damage with only one small fire that was quickly extinguished.

The mine site and other priority target areas across the property are now the subject of detailed exploration including, in part, data integration, soil geochemistry, prospecting, and geological mapping.

Positional Trimble surveying of previous ground monuments and registration pins was carried out to assist with both the registration of multiple historic mine maps, exploration grids and 3D mine modelling. Additional regional geological mapping along the Banded Iron Formation continues to support verification of the geophysical interpretation and in preparation for an initial phase of drilling which is proposed subsequent to full review and integration of new geological information.

Detailed characterization of geological units is underway and the recognition of a large quartz-feldspar porphyry with vein style alteration and minor sulphide mineralization is widespread. Other lithology being studied include Banded Iron Formation, mafic volcanics, sericite schist, felsic dikes, chert, rhyolite, quartzite, dacite, and diabase intrusive rocks.

Limited line cutting of a small grid (approximately 16 km in total) is planned over a portion of the property. This proposed work is going through normal permitting procedures.

By completing a thorough targeting exercise based on the stratigraphy, structure, alteration, geochemistry, twenty VTEM geophysical anomalies, and 3D modelling, Conquest is positioned to systematically explore the Golden Rose property during the next quarter.

ALEXANDER GOLD PROJECT

Conquest's Alexander Property is strategically located east of the Red Lake and Campbell mines owned and operated by Goldcorp Inc. in the heart of the Red Lake Gold Camp. Conquest's 100% owned Alexander Property is mostly surrounded by Goldcorp's land holdings. The Alexander Property is located within the important "Mine Trend" regional structure. Conquest believes that the Company holds one of the most prospective land positions in the Red Lake gold camp, outside Goldcorp.

Goldcorp's Red Lake operations are situated in the eastern part of the Red Lake Greenstone Belt. The western boundary of Conquest's Alexander Property is located adjacent to Goldcorp's Red Lake gold mine and approximately 500 meters east of Goldcorp's Balmer Complex headframe.

Goldcorp reported gold production for Q2 2018 at Red Lake of 62,000 ounces at an AISC of \$1,232 per ounce, compared to 58,000 ounces for the same period in 2017 at an AISC of \$1,120 per ounce. Tonnes and grade milled at Red Lake in Q2 2018 were reported at 192,000 tonnes of ore at a grade of 9.17 grams per tonne. Goldcorp reported that production for the three and six months ended June 30, 2018 was higher than the same periods in the prior year due to higher tonnes despite lower grades, as Red Lake continued its planned transition to a bulk mining operation which is expected to deliver long-term benefits including a significant cost and infrastructure rationalization program, the acceleration of underground development and the transition to predominately bulk method mining. With the increased use of bulk mining methods, the milling rate increased 29% and 43%, in the three and six months ending June 30, 2018, respectively.

Ongoing exploration success by Goldcorp at Red Lake continues to demonstrate prospectivity of the Red Lake camp, which Conquest believes enhances potential at the Alexander Property.

The Balmer Assemblage is host to the high-grade gold ores at the Red Lake mine. Balmer Assemblage stratigraphy that characterize the well-established Mine Trend at Red Lake is present in drill holes on Conquest's Alexander Property and strikes northwest to southeast through the Conquest's patented claim group.

On October 25, 2017, Goldcorp announced in its Exploration Update that it had commenced a complete review study of the Red Lake belt that includes the collation, scanning, digitization and layering of more than 60 years of historical data. Any such initiative would, by inference, include Conquest's Alexander Property. Conquest believes that a full understanding of Goldcorp's adjacent exploration activities is important to a broader understanding of the highly prospective target area that lies adjacent to Conquest's Alexander property boundary and extends into the Alexander property.

On July 25, 2018, Goldcorp released an update on its 2018 exploration program in which it reported that exploration activity continued at the Red Lake camp and had recently been extended to encompass generative exploration programs over the highly prospective 385 km² Red Lake land package. "Step-out exploration commenced during the second quarter of 2018 on several new targets. Drilling focus continues to shift eastwards towards portions of the mine containing favorable geology and structure, but which remain underexplored. The Aviation Complex was identified during this generative phase and drilling had recently commenced. The Aviation zone comprises folded Balmer Assemblage basalt, a significant host to gold mineralization throughout the [Red Lake] mine".

Conquest has invested a cumulative total of \$6.2 million on its Alexander property and the Company's twenty-seven (27) mining patents comprising the Alexander Property do not require any annual minimum expenditure, other than nominal property taxes.

SMITH LAKE GOLD PROJECT

Conquest's Smith Lake Property consists of six (6) patented mining claims and sixteen (16) legacy staked mining claims covering approximately 2,915 hectares of land located within the Missanabie-Goudreau Greenstone Belt in Leeson, Stover, and Rennie Townships in northern Ontario.

The Smith Lake property is 100% Conquest owned and is contiguous with the former International Corona Resources (now Barrick Gold Corporation) Renabie Gold Mine which produced more than 1,000,000 ounces of gold from 1941 through 1991. Reported reserves from the mine were approximately six (6) million tonnes at an average grade of 6.6 grams per tonne gold and 2 grams per tonne silver.

QUALIFIED PERSON AND TECHNICAL REPORT

Paul K. Smith is the Company's Qualified Person for the purposes of National Instrument 43-101 and has approved the technical disclosures within this MD&A.

RESULTS OF OPERATIONS

The Company recorded no revenue for the periods ended June 30, 2018 or June 30, 2017. In accordance with the Company's Accounting Policies exploration and evaluation expenditures are expensed as incurred through profit and loss and included in the Statement of Operations.

For the six-month period ended June 30, 2018, the Company recorded a loss of \$289,693 (\$0.003 per share). The loss included exploration expenditures of \$202,823.

For the three-month period ended June 30, 2018, the Company recorded a loss of \$110,497 (\$0.001 per share). The loss included exploration expenditures of \$79,241.

For the six-month period ended June 30, 2017, the Company recorded a loss of \$42,876 (\$0.000 per share). The loss included exploration expenditures of \$11,728.

For the three-month period ended June 30, 2017, the Company recorded a loss of \$19,186 (\$0.000 per share). The loss included exploration expenditures of \$8,392.

SUMMARY OF QUARTERLY RESULTS

	Q2 2018 (\$000's)	Q1 2018 (\$000's)	Q4 2017 (\$000's)	Q3 2017 (\$000's)	Q2 2017 (\$000's)	Q1 2017 (\$000's)	Q4 2016 (\$000's)	Q3 2016 (\$000's)
Net income/(loss)	(110)	(179)	(109)	(18)	(19)	(24)	(35)	(31)
Net income/(loss) per share - Basic and diluted	0.001	(0.002)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Total assets	798	922	869	16	23	30	0	105
Working Capital	105	215	11	(47)	(28)	(9)	15	50

- The fourth quarter of 2017 includes \$56,410 exploration expenditures, of which \$34,676 related to the acquisition of Northern Nickel and its Golden Rose property.
- The first quarter of 2018 includes \$123,581 exploration expenditures, of which \$119,062 was spent on Golden Rose.
- The second quarter of 2018 includes \$79,241 exploration expenditures spent on Golden Rose.

LIQUIDITY AND CAPITAL RESOURCES

At June 30, 2018, the Company had cash of \$138,261 compared to \$215,635 at December 31, 2017.

Current assets at June 30, 2018 were \$170,437 compared to \$241,010 at December 31, 2017. Accounts payable and accrued liabilities decreased to \$31,482 at June 30, 2018 from \$214,362 at December 31, 2017.

On January 29, 2018, Conquest completed the second and final tranche of its non-brokered, private placement of 1,066,540 units and 900,000 flow-through units for gross proceeds of \$295,000. Included in this amount is \$90,000 of flow-through funds which must be spent by December 31, 2019. Each unit consists of three common shares and one-half of a common share purchase warrant and was priced at \$0.15 per unit. Each flow-through unit consists of two flow-through shares, one common share, and one-half common share purchase warrant, and was priced at \$0.15 per flow-through unit. One whole warrant issued as part of either unit is exercisable for a period of one year from issue to purchase one common share at an exercise price of \$0.075.

At June 30, 2018, Conquest had not achieved profitable operations, and expects to incur further losses in the development of its business. The Company has relied on equity financing to fund its working capital requirements. The Company will need to generate additional financial resources in order to continue as a going concern and to fund any exploration programs. There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms. There are no assurances that the Company will be able to obtain additional financial resources. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations.

OFF-BALANCE SHEET ARRANGEMENTS

There are no off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

No fees were paid by the Company to directors and officers for their services as directors and officers of the Company in the periods ended June 30, 2018 or June 30, 2017.

For the six-month period ended June 30, 2018, the Company made payments or accrued \$49,618 (2017 - \$210) to related parties, including: \$7,518 for legal fees to Steenberglaw Professional Corporation, a company controlled by a director of the Company; \$15,000 for management fees to Robert Kinloch, Director; and \$27,100 for exploration expenditures to Batson Consulting Services, a company controlled by Benjamin Batson, a former director of the Company. Included in accounts payable at June 30, 2018 is \$6,216 payable to Steenberglaw Professional Corporation. Such amounts are due on demand, unsecured and non-interest bearing.

On January 29, 2018, \$70,000 was settled through the issue of 1,400,000 shares of the Company.

CRITICAL ACCOUNTING ESTIMATES

The Company's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and require management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the related disclosure of contingent assets and liabilities, if any. The Company's management makes assumptions that are believed to be reasonable under the circumstances and that are based upon historical experience, current conditions

and expert advice. These estimates are reviewed on an ongoing basis for updated information and facts. The use of different assumptions would result in different estimates, and actual results may differ from results based on these estimates.

ADOPTION OF NEW ACCOUNTING STANDARDS

The standards and interpretations within IFRS are subject to change. For further details, please refer to Note 3 of the December 31, 2017 audited consolidated financial statements.

RISK FACTORS

In conducting its business, Conquest faces a number of risks common to the mining and exploration industry. These are summarized below. There are also certain specific risks (including those listed below), associated with an investment in the Company and prospective investors should carefully consider these specific risk factors associated with an investment in the Company.

ADDITIONAL FINANCING/GOING CONCERN

The Company's ability to continue exploration and development of its properties will be dependent upon its ability to raise additional financing. No assurances can be made that the Company will be able to raise such additional capital.

At June 30, 2018, the Company had not achieved profitable operations, had an accumulated deficit since inception and expects to incur further losses in the development of its business. The Company has relied on equity financing to fund its working capital requirements. The Company will need to generate additional financial resources in order to fund its planned exploration programs and continue as a going concern. There is a risk that additional financing will not be available to the Company on a timely basis or on acceptable terms. There are no assurances that the Company will continue to obtain additional financial resources and/or achieve positive cash flows or profitability. If the Company is unable to obtain adequate additional financing, the Company will be required to further curtail operations.

The Company's capital management objectives, policies and processes remained unchanged for the six-month period ended June 30, 2018. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) CDN\$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

STAGE OF DEVELOPMENT

All of the Company's properties are in the exploration stage. There can be no assurance that the Company will be able to develop and operate any of these projects profitably, or that its activities will generate positive cash flow.

Exploration and development of minerals is a speculative venture involving substantial risk. There is no certainty that the expenditures to be made by the Company will result in discoveries of commercial quantities of ore. Hazards such as unusual or unexpected formations and other conditions are involved.

The development of natural resources which may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market

fluctuations, the proximity and capacity of processing equipment, proximity of the necessary infrastructure, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting minerals and environmental protection. The exact effect of these factors cannot be accurately predicted.

DEPENDENCE UPON KEY PERSONNEL

The success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of its management, particularly its Chairman and its President. The loss of services of any of its management could have a material adverse effect on the Company. The Company does not maintain key management insurance on any of its management.

The Company will depend upon recruiting and maintaining other qualified personnel to staff its operations. The Company believes that such personnel currently are available at reasonable salaries and wages in the geographic areas in which the Company intends to operate. There can be no assurance, however, that such personnel will always be available in the future. In addition, it cannot be predicted whether the labour staffing at any of the Company's projects will be unionized, resulting in potentially higher operating costs.

LAWS AND REGULATIONS

The Company's mining and exploration activities may be affected by the extent of the country's political and economic stability and the nature of government regulation relating to the mining industry and foreign investors therein. Changes in regulation or shifts in political conditions are beyond the control of the Company and may adversely affect its business and its holdings. In addition, mining operations may be affected by government regulations with respect to production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

ABORIGINAL LAND CLAIMS AND TREATY RIGHTS

The Company conducts its operations in Northern Ontario, in areas which are subject to Aboriginal land claims.

The Canadian courts have confirmed that the Crown has a duty to consult with Aboriginal people, and to accommodate if necessary, when its decisions or actions may adversely affect Aboriginal rights and interests or treaty rights. Crown consultation has the potential to delay regulatory approval processes. In certain cases, respecting Aboriginal rights may mean regulatory approval may be denied or the conditions in the approval make the project economically challenging or not feasible. In addition to the potential impacts of such claims, development and construction may be inhibited, delayed or stopped which could result in, among other things, a significant increase in costs and/or cost overruns, delays, reduced support of the federal or provincial governments or challenges to, or the revocation of, regulatory approvals or permits and/or the need for additional regulatory processes, any of which could materially impact the overall feasibility or economic benefits of a mineral development project which, in turn, could have a material adverse effect on the Company and its business.

The Golden Rose Property is located within the traditional lands and waterways occupied and used by the Temagami First Nation/Teme Augama Anishnabai, an Aboriginal people within the meaning of Section 35 of the Constitution Act, 1982.

INSURANCE

The Company may become subject to liability for cave-ins, environmental impacts or other hazards of mineral exploration and production against which it cannot insure, or against which it may elect not to insure because of high premium costs or other reasons. Payment of such liabilities would reduce funds available for acquisition of mineral prospects or exploration and development and would have a material adverse effect on the Company's financial position. The directors of the Company know of no such liability pending or otherwise at this time.

GOLD OR OTHER METAL PRICES

The ability of the Company to develop its properties and the future profitability of the Company is directly related to the market price of certain commodities and specifically gold, as well as the capitalization of the Company and the general receptiveness of the markets to junior equities.

The price of gold, as well as other precious and base metals, has experienced volatility over short periods of time and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations (including the U.S. dollar relative to the Canadian dollar and other currencies), interest rates, global or regional consumption patterns, speculative activities and increases in production due to improved mining and production methods. The supply of and demand for gold and other precious and base metals are affected by various factors including political events, economic conditions and production costs in major mineral producing regions.

PRICE VOLATILITY OF PUBLICLY TRADED SECURITIES

Securities of exploration companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the relative attractiveness of particular industries. The Company's share price is also likely to be significantly affected by short-term changes in metal prices or in the Company's financial condition or results of operations as reflected in quarterly earnings reports.

FINANCIAL INSTRUMENTS

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

FAIR VALUE

The carrying amounts for cash, marketable securities, amounts receivable and accounts payable and accrued liabilities on the consolidated statements of financial position approximate fair value because of the limited term of these instruments. The marketable securities are stated at the quoted market value.

INTEREST RATE RISK

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by major Canadian banks. The

Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

CREDIT RISK

Credit risk is the risk that a client or vendor will be unable to pay or receive any amounts owed or owing by the Company. Management's assessment of the Company's risk is low as it is primarily attributable to funds held in Canadian banks.

LIQUIDITY RISK

At June 30, 2018, the Company had cash of \$138,261 to settle current liabilities of \$31,482. The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

MARKET RISK

Market risk is the risk that the fair value or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is not exposed to market risk with respect to its marketable securities as no marketable securities were held at June 30, 2018.

CAPITAL RISK

The Company manages its capital to ensure that there are adequate capital resources for the Company to maintain and explore its mineral properties. The capital structure of the Company consists of shareholders' equity.

SENSITIVITY ANALYSIS

Cash is invested in investment-grade short-term deposit certificates. Given management's knowledge and experience in the financial markets, sensitivity to a plus or minus 1% change in rates, based on the current balance of cash at June 30, 2018, would affect the net loss by plus or minus \$Nil during a one-year period.

As at June 30, 2018, the Company did not hold any material balances in foreign currencies that would give rise to exposure to foreign exchange risk.

FAIR VALUE HIERARCHY AND LIQUIDITY RISK DISCLOSURE

The fair value hierarchy has the following levels: (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices) (Level 2); and (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). At June 30, 2018 and December 31, 2017, the Company's financial instruments that are carried at fair value, consisting of marketable securities, have been classified as Level 1 within the fair value hierarchy.

OUTSTANDING SHARE CAPITAL

The Company has unlimited authorized share capital of a single class of common shares of which, at June 30, 2018 and August 27, 2018, 118,923,348 common shares were issued. Each common share entitles the holder to one vote. The common shares rank equally for dividends and for all distributions upon dissolution or wind up.

At June 30, 2018 and August 27, 2018, the Company had 1,784,270 share purchase warrants outstanding, of which 801,000 have an expiry date of December 21, 2018; and 983,270, an expiry date of January 29, 2019. At June 30, 2018 and August 27, 2018, there were 5,600,000 share options outstanding, issued pursuant to the Company's Stock Option Plan.

ADDITIONAL INFORMATION

Additional information about the Company is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.conquestresources.com.

The Company reports its financial information in Canadian dollars.

FORWARD-LOOKING STATEMENTS

This management's discussion and analysis contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

August 27, 2018