



**ALEXANDRIA**

**MINERALS CORPORATION**

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**ALEXANDRIA MINERALS CORPORATION**  
**Management Discussion and Analysis**  
**For the three and six months 2019**  
**Dated October 31, 2018**

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## **Management Discussion & Analysis** **For the three and six months ended October 31, 2018**

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This Management Discussion and Analysis (“MD&A”) is intended to assist the reader in the understanding and assessment of the trends and significant changes in the results of operations and financial conditions of Alexandria Minerals Corporation (“Alexandria”, “AZX”, or the “Company”). This MD&A should be read in conjunction with the consolidated financial statements of the Company, including the notes thereto, for the three and six months ended October 31, 2018, (“Q2F2019”). The comparative reporting period is the three months ended October 31, 2017 (“Q2F2018”).

This MD&A has considered information available up to and including December 28, 2018. All dollar amounts in this MD&A are in Canadian dollars unless otherwise stated. The financial statements, along with Certifications of Annual and Interim Filings and press releases, are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

For the purposes of preparing our MD&A, we consider the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. We evaluate materiality with reference to all relevant circumstances, including potential market sensitivity.

### **Principal Business**

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Alexandria Minerals Corporation is a growth-oriented, Canadian gold exploration company with a high-quality portfolio of strategically located properties in Canada located in the mineral-rich mining districts of Val d’Or, (Québec), Red Lake (Ontario), and Chibougamau (Québec).

The Company’s current exploration focus has been on targets within the western areas of the Cadillac Break property package located in Val D’Or, located west of the Orenada gold resource including work on the Centremaque property, the Far West area and the recently discovered Bulldog Zone.

The Company was incorporated under the CBCA on May 27, 2002 and completed its initial public offering on March 22, 2006. Alexandria’s shares began trading on the TSX Venture Exchange (“TSX-V”) under the symbol “AZX” on March 24, 2006. The Company has also received secondary listings on the Frankfurt Stock Exchange (symbol “A9D”), and in March 2017 begun trading in the United States on the OTCQB under the symbol “ALXDF”.



## **Management Discussion & Analysis** **For the three and six months ended October 31, 2018**

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### **Overview & Highlights**

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#### **Principal Activities:**

The following highlights the principal activities that Alexandria has undertaken during the six months ended October 31, 2018:

- InnovExplo Inc. completed a mineral resource estimate update for the Orenada Zones 2 and 4 Project (Press released June 6<sup>th</sup>, 2018). See “New Resource Estimate Orenada”, below
  - Obtained additional financing by disposing of certain non-core assets and royalties for net proceeds of \$320,000
  - On September 19, 2018, the Company closed of a non-brokered private placement for gross proceeds of \$1,000,500
  - On September 19, 2018, AZX also announced that it has closed agreements with certain third-party contractors to settle an aggregate of \$467,999 of debt in consideration for the issuance of 8,509,091 common shares of the Company
  - Continued a technical review and evaluation of the key Val d’Or land package to identify and prioritize targets with significant potential to warrant further exploration and drilling
  - Completed an initial technical review of exploration targets identifying a new gold mineralized shear zone, the Bulldog Zone over a 500 m strike distance intersected by a number of drill holes
  - Sampling of core from the Bulldog Zone returned:
    - Up to 10.50 m @ 6.20 grams per tonne (g/t) g/t Gold (Au) including 4.50 m @ 10.87 g/t Au from drill hole OAX-18-245;
    - Drill hole OAX-18-254 intersected 10.50 m @ 4.25 g/t Au including 5.20 m @ 7.20 g/t Au, and
    - Drill hole OAX-18-259 intersected 8.30 m @ 5.15 g/t Au and 3.00 m @ 6.92 g/t Au
  - Commenced sampling of core from key targets drilled in early 2018 which have been identified as hosting potential but have not been assayed, and
  - Received 3,847 assay samples from laboratory on the Company’s new Bulldog Zone and Centremaque (see Exploration Activities” section below).
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#### **Outlook**

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Alexandria is planning the following activities for its 2019 fiscal year:

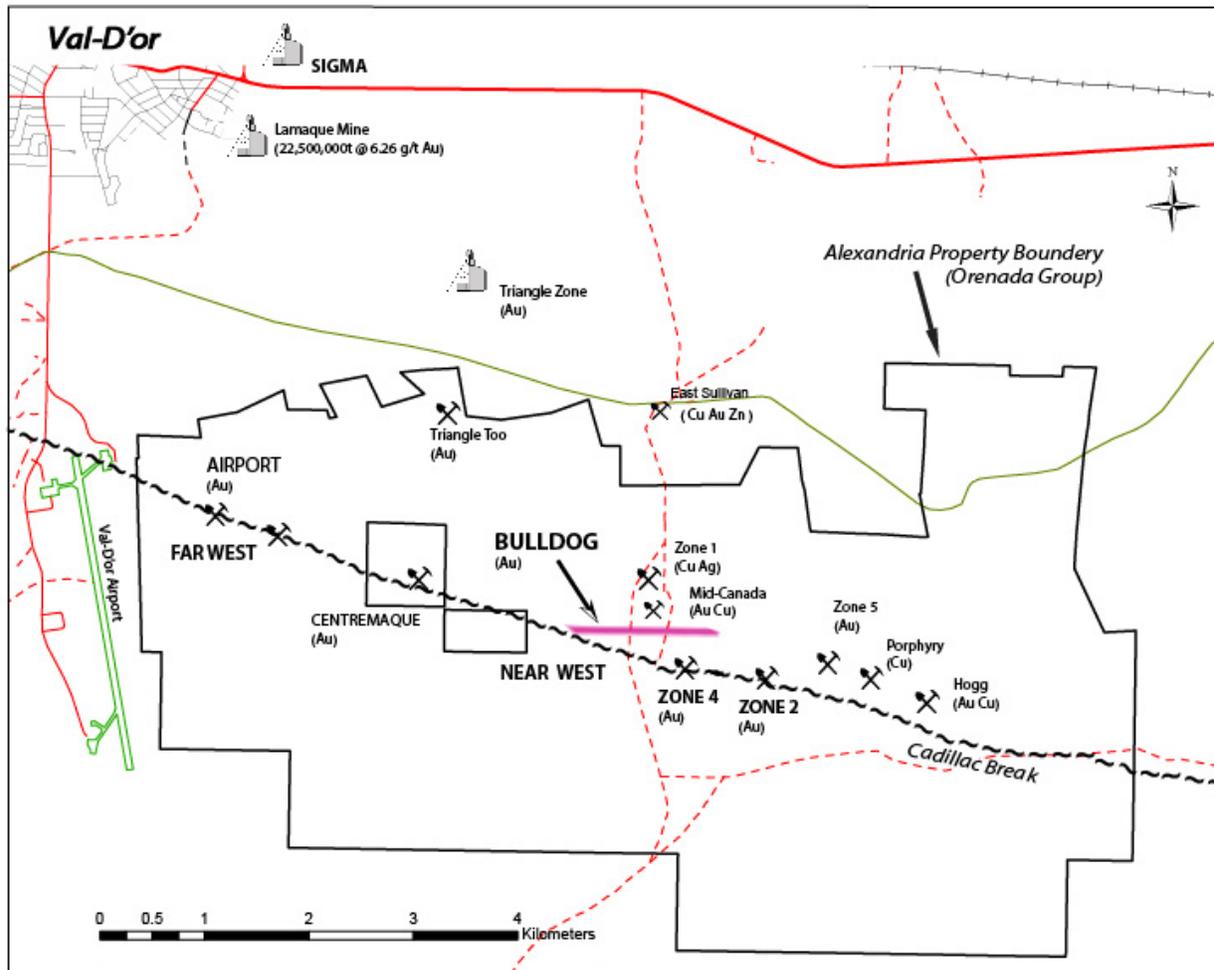
- Complete the assaying of over 12,166 m of core samples drilled in fiscal 2018 from the western extensions of the Orenada deposit in the Near West area and the Airport target in the Far West area of the Company’s Val d’Or land package
- Planning is underway for a 2,400 m drill program on its Centremaque property and on the new Bulldog Zone gold discovery during the first half of 2019
- Complete down-hole televiwer surveys of drill holes on the Centremaque and Bulldog Zones to obtain structural data
- Complete interpretation of geophysical data at the Fancamp property in the Chibougamau district
- Pursue additional strategic assets within the vicinity of its Val d’Or land package
- Continue the process of improving its overall working capital position, and
- Refocus its investor coverage in the next quarter within the Province of Quebec and Ontario to increase institutional investor’s support.



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**Exploration Activities**

**Figure 1: Alexandria's Western Property Locations in Val D'Or, Quebec**



Results from the winter 2018 drilling campaign have demonstrated the presence of high-grade gold zones over 5 km along the Cadillac fault west of the Orenada Zone 4, including the discovery and drill testing of a new high-grade shear zone, the Bulldog Zone intersecting up to 10.50 m @ 6.20 g/t Au including 4.50 m @ 10.87 g/t Au. A quartz-tourmaline veined zone has been drilled at Centremaque, the first hole drilled intersected 1.80 m @ 36.60 g/t Gold.

Also, during the first and second quarters of fiscal 2019 Probe Metals continued its work program on the Cadillac Break East (Option Agreement to earn 60% interest in the property) focused on geophysics surveys and sediment sampling survey that cover specific areas most conducive to gold mineralization. As at

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December 31, 2017 Probe has spent approximately \$1,200,000 and an additional \$800,000 between January and August 2018.

### New Resource Estimate – Orenada:

On June 6, 2018, the Company announced a new updated mineral resource estimate at Orenada containing 3,754,000 tonnes of indicated mineral resources with an average grade of 1.61 grams of g/t Au for 194,522 ounces of contained gold and 2,079,000 tonnes of inferred mineral resources with an average grade of 1.89 g/t Au for 126,259 ounces of contained gold.

Table 1: Orenada Project–Zone 2 and Zone 4 Updated Resource Estimate:

ORENADA	Cut-off grade	INDICATED			INFERRED		
		Tonnage	Au (g/t)	Ounces	Tonnage	Au (g/t)	Ounces
<b>Zone 4</b>	> 0.4 g/t Au (open pit)	3,563,000	1.54	176,085	865,000	1.39	38,755
	> 2.0 g/t Au (underground)	191,000	3.00	18,437	326,000	3.34	34,955
	<b>Total</b>	<b>3,754,000</b>	<b>1.61</b>	<b>194,522</b>	<b>1,191,000</b>	<b>1.92</b>	<b>73,710</b>
<b>Zone 2</b>	> 0.4 g/t Au (open pit)	-	-	-	605,000	1.36	26,363
	> 2.0 g/t Au (underground)	-	-	-	283,000	2.88	26,186
	<b>Total</b>	-	-	-	<b>888,000</b>	<b>1.84</b>	<b>52,549</b>
<b>TOTAL</b>	> 0.4 g/t Au (open pit))	3,563,000	1.54	176,085	1,470,000	1.38	65,118
	> 2.0 g/t Au (underground)	191,000	3.00	18,437	609,000	3.12	61,141
	<b>Total</b>	<b>3,754,000</b>	<b>1.61</b>	<b>194,522</b>	<b>2,079,000</b>	<b>1.89</b>	<b>126,259</b>

Each of Alain Carrier, P.Geo., M.Sc. and Claude Savard, P.Geo. (InnovExplo) is a “qualified person” (as defined by NI 43-101), and both are considered to be “independent” of the Company for purposes of section 1.5 of NI 43-101. InnovExplo is also considered to be “independent” of the Company for purposes of section 1.5 of NI 43-101. The effective date of this mineral resource estimate is May 25, 2018.

These mineral resources are not mineral reserves, as they do not have demonstrated economic viability.

Resources are presented undiluted and in situ for both open pit and underground potential scenarios and are considered to have reasonable prospects for economic extraction.

For more information on the 43-101 results estimate, please see press release dated June 6, 2018 at [www.azx.ca](http://www.azx.ca) or the technical report filed on SEDAR ([www.SEDAR.com](http://www.SEDAR.com)) dated July 20, 2018.

During the second quarter of fiscal 2019 the exploration work focused on assaying core from the 2018 Winter drilling. The core is from drill holes which tested the new Bulldog shear zone, the Centremaque project and the western extensions of Orenada Zone 4. A total of 6,087 samples were sent for assay. To date the Company has received the assay results from 3,847 samples, the majority of them related to the Bulldog Zone and the Centremaque projects. AZX is currently waiting for additional results related to the Airport zone on the Far West project and the western extensions of Orenada.

### Latest Assay results received - Bulldog Zone:

On December 11, 2018, AZX announced the results from six additional holes from the winter 2018 diamond drill program from a new gold discovery, the Bulldog Zone, located within the Company’s Val d’Or Project, Quebec. The following are highlights of the samples received:

- A new gold discovery on the Cadillac Break, the Bulldog Zone has been intersected in eight (8) drill holes from 2018 drilling campaign;



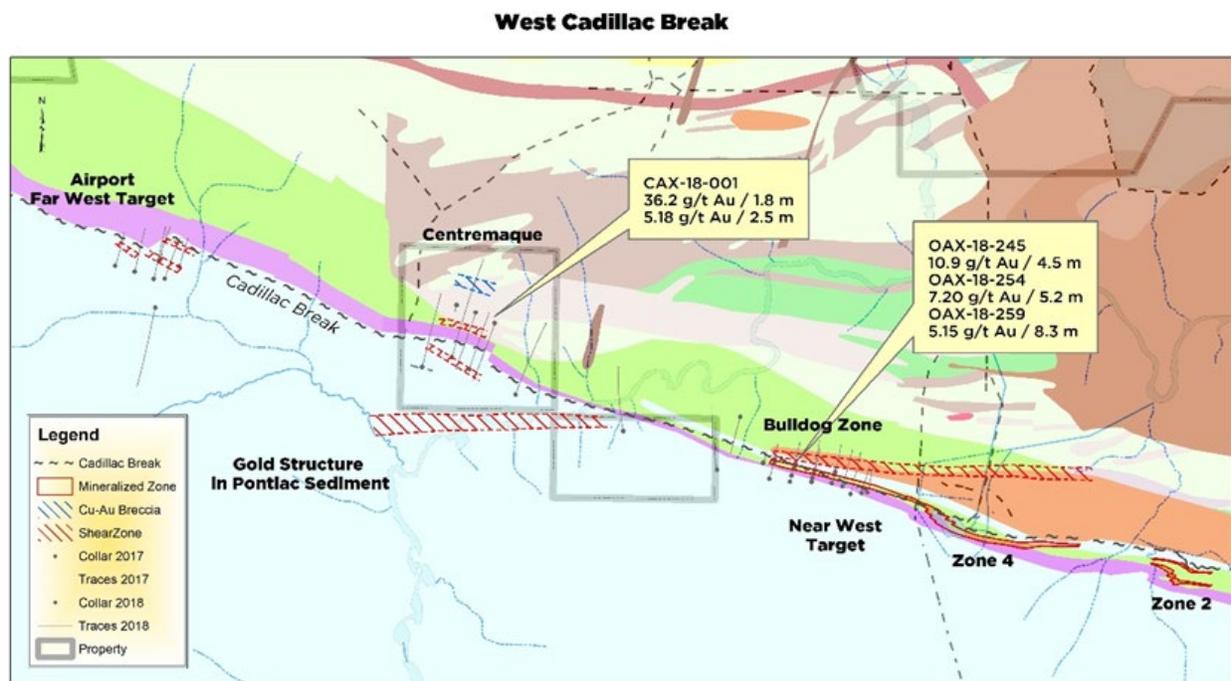
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- The Bulldog Shear Zone has been intersected over a strike length of 500 m and widths of up to 40 m and to depths of over 300 m;
- Drill hole OAX-18-245 intersected 10.50 m @ 6.20 g/t Au including 4.50 m @ 10.87 g/t Au;
- Drill hole OAX-18-254 intersected 10.50 m @ 4.25 g/t Au including 5.20 m @ 7.20 g/t Au;
- Drill hole OAX-18-259 intersected 8.30 m @ 5.15 g/t Au and 3.00 m @ 6.92 g/t Au.

The Bulldog Zone discovery is within short proximity of the Orenada Zones 2 and 4 gold resources and to both the Centremaque and Airport Zones previously identified by the company. The West Cadillac Break properties have the potential to contribute to an overall development strategy of the company's Val d'Or land package.

The location of the 2018 drill holes and the new targeted gold zones, Far West, Centremaque and the newly discovered Bulldog Zone are shown in Figure 2.

Figure 2: Western Val D'Or Mineralized Zones and Targets



Approved: P-E.Mercier geo.  
# OGG: 1753  
Date: 2018-12-14

Système de coordonnées: MTM zone 9  
Projection: Transverse Mercator  
Datum: North American 1983  
False Easting: 504 800 0000  
False Northing: 0 0000  
Central Meridian: -76 5000  
Scale Factor: 0.9999  
Latitude Of Origin: 0 0000  
Units: Meter

During the second quarter of fiscal 2019 Probe Metals continued its work program on the Cadillac Break East project. The interpretation of detailed IP survey is in progress on areas of interest generated by a property-scale gradient array IP survey. Planning of the next drilling campaign on the best target is now underway.

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**Table 2: Total Mineral Resource Estimates on Alexandria's Quebec Properties**

	<b>Cut-Off</b>		<b>Grade</b>	<b>Contained Metal</b>
Deposit	<b>Au (g/t)</b>	<b>Tonnes</b>	<b>Au (g/t)</b>	<b>Gold (ounces)</b>
<b>Indicated Category</b>				
Akasaba Underground	2.25	609,274	5.93	116,158
Akasaba Near Surface	0.50	3,009,214	1.37	132,475
Orenada Near Surface (Zone 4)	0.40	3,563,000	1.54	176,085
Orenada Underground (Zone 4)	2.00	191,000	3.00	18,437
<b>Total Indicated</b>				<b>443,155</b>
<b>Inferred category</b>				
Akasaba Underground	2.25	1,475,622	5.58	264,886
Akasaba Near Surface	0.50	219,882	1.93	13,653
Orenada Near Surface (Zone 2-4)	0.40	1,470,000	1.38	65,118
Orenada Underground (Zone 2-4)	2.00	609,000	3.12	61,141
Sleepy	3.00	1,885,300	4.70	279,760
<b>Total Inferred</b>				<b>684,558</b>

Resource Estimations: Orenada (InnovExplo, 2018), Akasaba and Sleepy (Geopointcom, Geologica, 2013 and 2014, respectively).

Mineral resources which are not mineral reserves have not demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues, although the Company is not aware of any such issues.

The quantity and grade of reported inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them.

The mineral resources were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.

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The following schedules describe exploration expenditures incurred during the three months ended October 31, 2018 and 2017.

**Table 3: October 31, 2018**

	Orenada and West (*)	Akasaba	Sleepy	Centremaque	Airport	Bulldog	Other Quebec Properties	Ontario Properties	Manitoba Properties	Total
Balance (July 31, 2015) (*)	\$14,227,023	\$13,150,285	\$5,567,965	\$553,872	\$283,227	\$938,614	(\$187)	(\$2,672)	\$750,000	\$35,468,127
Assays & Maps	(45,720)	-	-	3,600	-	73,832	-	-	-	31,712
Geophysics	-	-	-	-	-	-	46,103	-	-	46,103
Drilling	(16,756)	-	-	17,610	1,217	34,292	-	-	-	36,363
Geology and Geochemistry	(7,200)	-	-	-	3,600	-	-	-	-	(3,600)
Resource calculation	14,646	-	-	-	-	-	-	-	-	14,646
General expenses	-	-	-	2,175	7,883	157,012	2,923	-	-	169,993
Indirect exploration expenses	(5,730)	-	-	625	339	7,085	1,310	(31)	-	3,598
Option Payments	-	-	(19,607)	-	-	-	-	-	-	(19,607)
Sale of Net Smelter Royalties	-	-	-	-	-	-	-	-	-	-
<b>Expenditures During period</b>	<b>(60,760)</b>	<b>-</b>	<b>(19,607)</b>	<b>24,010</b>	<b>13,039</b>	<b>272,221</b>	<b>50,336</b>	<b>(31)</b>	<b>-</b>	<b>279,208</b>
Balance (October 31, 2018)	\$14,166,263	\$13,150,285	\$5,548,358	\$577,882	\$296,266	\$1,210,835	\$50,149	(\$2,703)	\$750,000	\$35,747,335

(\*)The reallocation during Q2 F2019 of certain expenses previously classified under Orenada (to Airport, Centremaque and Bulldog), generated negative values .

**Table 4: October 31, 2017**

	Orenada	Akasaba	Sleepy	Other Quebec Properties	Ontario Properties	Manitoba Properties	Total
Balance (July 31, 2017)	\$10,610,916	\$13,385,018	\$5,602,474	\$66,844	\$1,874,614	\$3,073,376	\$34,613,242
Acquisition cost	(28,571)	-	-	-	-	-	(28,571)
Assays & Maps	746,684	-	-	-	-	-	746,684
Geophysics	36,490	23,500	-	-	-	-	59,990
Drilling	2,564,339	-	-	-	-	-	2,564,339
Geology and Geochemistry	132,769	(11,000)	-	-	-	-	121,769
Resource calculation	234,161	-	-	-	-	-	234,161
General expenses	(4,836)	-	256	1,346	-	-	(3,234)
Allocated exploration expense	1,435,627	4,506	92	485	2,717	-	1,443,427
Option Payments	-	-	-	-	(15,750)	-	(15,750)
Impairment charges	-	-	-	(68,675)	(1,861,581)	(2,323,376)	(4,253,632)
<b>Expenditures During period</b>	<b>5,116,663</b>	<b>17,006</b>	<b>348</b>	<b>(66,844)</b>	<b>(1,874,614)</b>	<b>(2,323,376)</b>	<b>869,183</b>
Balance (October 31, 2017)	\$15,727,579	\$13,402,024	\$5,602,822	\$0	\$0	\$750,000	\$35,482,425



## Management Discussion & Analysis For the three and six months ended October 31, 2018

The following schedules describe exploration expenditures incurred during the six months ended October 31, 2018 and 2017.

**Table 5: October 31, 2018**

	Orenada and West	Akasaba	Sleepy	Centremaque	Airport	Bulldog	Other Quebec Properties	Ontario Properties	Manitoba Properties	Total
Balance (May 1, 2016)	\$13,983,295	\$13,400,285	\$5,602,786	\$553,872	\$283,227	\$938,614	(\$187)	(\$4,467)	\$750,000	\$35,507,425
Assays & Maps	826	-	-	3,600		73,832	-	-	-	78,258
Geophysics	-	-	-				46,103	-	-	46,103
Drilling	64,537	-	-	17,610	1,217	34,292	-	1,718	-	119,374
Geology and Geochemistry	29,314	-	-		3,600		-	-	-	32,914
Resource calculation	83,529									83,529
General expenses	-	-	-	2,175	7,883	157,012	2,923	-	-	169,993
Indirect exploration expenses	4,762	-	-	625	339	7,085	1,310	46	-	14,167
Option Payments	-	-	(54,428)					-	-	(54,428)
Sale of Net Smelter Royalties	-	(250,000)	-				-	-	-	(250,000)
<i>Expenditures During period</i>	<i>182,968</i>	<i>(250,000)</i>	<i>(54,428)</i>	<i>24,010</i>	<i>13,039</i>	<i>272,221</i>	<i>50,336</i>	<i>1,764</i>	<i>-</i>	<i>239,910</i>
Balance (October 31, 2018)	\$14,166,263	\$13,150,285	\$5,548,358	\$577,882	\$296,266	\$1,210,835	\$50,149	(\$2,703)	\$750,000	\$35,747,335

**Table 6: October 31, 2017**

	Orenada	Akasaba	Sleepy	Other Quebec Properties	Ontario Properties	Manitoba Properties	Total
Balance (May 1, 2016)	\$8,972,084	\$13,385,018	\$5,602,474	\$66,844	\$1,833,641	\$3,073,376	\$32,933,437
Acquisition cost	-	-	-	-	-	-	-
Assays & Maps	1,141,292	-	-	-	560	-	1,141,852
Geophysics	33,575	23,500	-	-	-	-	57,075
Drilling	3,408,967	-	-	-	31,554	-	3,440,521
Geology and Geochemistry	148,740	(11,000)	-	-	-	-	137,740
Resource calculation	234,161						234,161
General expenses	(1,191)	-	256	1,346	-	-	411
Allocated exploration expenses	1,789,951	4,506	92	485	11,576	-	1,806,610
Option Payments	-	-	-		(15,750)	-	(15,750)
Impairment charges				(68,675)	(1,861,581)	(2,323,376)	(4,253,632)
<i>Expenditures During period</i>	<i>6,755,495</i>	<i>17,006</i>	<i>348</i>	<i>(66,844)</i>	<i>(1,833,641)</i>	<i>(2,323,376)</i>	<i>2,548,988</i>
Balance (October 31, 2016)	\$15,727,579	\$13,402,024	\$5,602,822	\$0	\$0	\$750,000	\$35,482,425



## **Management Discussion & Analysis**

### **For the three and six months ended October 31, 2018**

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#### **Corporate Developments**

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##### **Financing:**

- On September 19, 2018, the Company announced the closing of a non-brokered private placement for gross proceeds of \$1,000,500 of flow-through shares at \$0.055 per flow-through share. The company paid a commission of 6% on the gross amount of the financing
- On August 17, 2018, AZX announced the closing of several agreements with third-party contractors to settle an aggregate of \$467,999 of debt in consideration for the issuance of 8,509,091 common shares of the Company

##### **Board of Directors & Special Committee**

On December 15, 2017, the Board of Directors of the Company (the "Board") appointed a special committee of independent directors ("Special Committee" or "Committee") to, among other things, undertake a comprehensive review of strategic alternatives involving the Company. Among the alternatives being considered by the Special Committee were financing transactions and transactions that may result in the sale of the Company or some or all of its operating assets, subject to necessary shareholder approvals.

The special committee was dissolved on July 31, 2018 at the same time that the Board appointed Mr. Walter Henry as interim Chief Executive Officer.

##### **Results of the special shareholders meeting**

A special shareholders meeting was held on July 24, 2018. All of management's recommendations proposed to AZX's shareholders were approved at the Meeting. Shareholders voted:

1. To set the number of directors at six (6).
2. To remove incumbent director Eric Owens from the Board of Directors.
3. To elect Mark Ashcroft to the Board of Directors.
4. Against the dissident director removal resolution.

Mr. Ashcroft joins Peter Gundy, Walter Henry, Gary O'Connor, Robert Geis, and Priya Patil on Alexandria Minerals' Board of Directors. Subsequently, Robert Geis resigned.

##### **Appointment of Interim CEO:**

On July 31, 2018 the Company announced the appointment of Mr. Walter Henry, a director of the Company, as Interim CEO of AZX.

#### **Overall Financial Performance**

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##### **Net financial Results and Cash-flow**

During the three and six months ended October 31, 2018, AZX had a net loss of \$315,728 and \$967,002, respectively, compared to a net loss of \$513,441 and \$952,529 for the comparative periods.



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Operating losses for the three and six months ended October 31, 2018, when compared to the same periods of fiscal 2018, decreased by \$89,395 and \$18,860, respectively. For a complete analysis of operating expenses see the “Results of Operations” section below.

Non-operating income for the three and six months ended October 31, 2018 was \$224,525 and \$293,066, respectively, compared to \$116,207 and \$288,679 for the comparative periods. The most significant elements affecting non-operating income during the three and six-month periods ended October 31, 2018 were a gain on settlement of certain debt where approximately \$468,000 of trading payables were converted into equity of the Company generating a net gain of \$170,182; and a gain related to an option on the Golden Arrow property net smelter royalty (“NSR”) for \$25,000. For the six months ended October 31, 2018 the Company also generated a gain of \$70,000 on the disposition of the Mishibushi mining rights.

Cash used in operating activities for the six months ended October 31, 2018 was \$414,917 compared to \$424,457 for the comparative period.

The Company generated \$932,717 in cash-flow from financing activities during the six months ended October 31, 2018 resulting from the issuance of 18,190,910 flow-through common shares at a price of \$0.055 per flow-through common shares, net of \$67,783 paid in broker commissions. No financing activities were registered during the comparative six months period.

Cash flow used in investing activities during the six months ended October 31, 2018 was \$134,853 compared to \$4,014,306 for the same period of fiscal 2018. Exploration expenditures were the largest components cash flow used in investing activities with \$479,853 used during the current fiscal year(F2019) and \$4,029,463 during last fiscal year (F2018). During YTD F2019 the company also generated cash for \$345,000 from the disposition of certain mining rights and NSR.

**Selected Comparative Financial Information:**

<b>Six months ended October 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Operating expenses	\$ 1,260,068	\$ 1,241,208	\$ 1,068,226
Cash-flow from used in operating activities	(414,917)	(424,457)	(1,082,315)
Cash-flow from (used in) investing activities	(134,853)	(4,014,306)	(1,273,612)
Cash flow from (used in) financing activities	932,717	-	4,710,960
Share base payments	208,478	130,392	30,029
Net loss for the period	967,002	952,529	909,092
Total assets	29,700,149	33,880,840	28,432,113
Total liabilities	3,847,238	2,634,851	1,951,955
Working capital	(1,170,638)	2,112,488	2,799,852
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding	494,308,956	478,503,710	326,163,643



**Management Discussion & Analysis**  
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**Results of Operations**

The Company has no operating revenues and relies on external financings for exploration and other operating expenses. Because of the nature of these activities, Alexandria incurs net losses. For the three and six months ended October 31, 2018, Alexandria realized a net operating loss of \$540,253 and \$1,260,068, respectively, compared to a net operating loss of \$629,648 and \$1,241,208, respectively, for the comparative periods.

The following schedule provides additional information on general and administrative expenses comparing the three months ended October 31, 2018 and 2017:

Three months ended October 31,	2018	2017	\$ Change	% Change
Accounting and corporate services	\$ 18,679	\$ 16,569	\$ 2,110	12.7
Depreciation	329	446	(117)	(26.2)
Director fees	25,875	24,875	1,000	4.0
Investor and public relations	16,293	195,765	(179,472)	(91.7)
Management fees	54,167	72,500	(18,333)	(25.3)
Office and general	89,005	69,867	19,138	27.4
Professional fees	250,133	85,626	164,507	192.1
Regulatory and compliance	21,060	38,470	(17,410)	(45.3)
Share based payment	63,993	65,107	(1,114)	(1.7)
Wages	719	60,423	(59,704)	(98.8)
	\$ 540,253	\$ 629,648	\$ (89,395)	16.5

The principal drivers of changes in operating expenses for the three months ended October 31, 2018 when compared to the same period of fiscal 2017 were:

- The decrease in investor relation charges is mainly associated to services contracted by the Company during the second quarter of fiscal 2018 which were not renewed during Q2F2019;
- The decrease in management fees of \$18,333 is composed by a reduction of \$50,000 related to the eliminated compensation paid during Q2F2018 to the departed CEO of \$50,000, offset by the compensation paid to the current Interim CEO for \$31,667 during Q2F2019;
- The increase in office expenses is mainly due to an increase in certain insurance policies for approximately \$17,000;
- The increase in professional fees of \$164,507 is related an increase in legal fees resulting from revised accrued amounts for approximately \$212,000, an increase in provisions for audit fees of approximately \$12,000 and a reduction in other professional fees for approximately \$58,000;
- The decrease in regulatory and compliance charges of \$17,410 relates to a decrease in fees paid to transfer agent of approximately \$7,600, and stock exchange fees for \$10,000;
- The decrease in wages and salaries results principally from the dismissal of a senior officer during the fourth quarter F2018 resulting in savings of approximately \$41,000 for Q2F2019, plus related payroll benefits, and certain retractive adjustment to Q1F2019 for approximately \$20,000.



**Management Discussion & Analysis**  
**For the three and six months ended October 31, 2018**

The following schedule provides additional information on general and administrative expenses comparing the six months ended October 31, 2018 and 2017:

Six months ended October 31,	2018	2017	\$ Change	% Change
Accounting and corporate services	\$ 28,568	\$ 28,244	\$ 324	1.1
Depreciation	658	891	(233)	(26.2)
Director fees	51,750	49,625	2,125	4.3
Investor relations and marketing	454,620	400,394	54,226	13.5
Management fees	76,667	145,000	(68,333)	(47.1)
Office and general	161,477	173,350	(11,873)	(6.8)
Professional fees	222,662	155,433	67,229	43.3
Regulatory and compliance	34,239	52,141	(17,902)	(34.3)
Share based payment	208,478	130,392	78,086	59.9
Wages	\$ 20,949	\$ 105,738	(84,789)	(80.2)
	<b>\$ 1,260,068</b>	<b>\$ 1,241,208</b>	<b>\$ 18,860</b>	<b>1.5</b>

The principal drivers of changes in operating expenses for the six months ended October 31, 2018 when compared to the same period of fiscal 2017 were:

- The increase in investor relation expenses relates principally to proxy solicitation and investors communication expenses incurred on the proxy dispute initiated by the previous CEO and concluded during July 2018 for approximately \$354,000, partially offset by a decrease in previous management’s investor relation charges from several investor relation services from third parties that have been discontinued for approximately \$197,000, and reductions in travelling and promotional expenses for approximately \$98,000;
- The decrease in management fees of is composed by a reduction of \$100,000 related to the eliminated compensation paid during Q2F2018 to the former CEO, offset with compensation paid to the current Interim CEO for \$31,667 during Q2F2019;
- The decrease in office expenses is mainly composed by an increase in information technology charges of a temporary nature for approximately \$15,000, increases in insurance for approximately \$17,000 and rent for approximately \$10,000 and reductions in other miscellaneous items such as membership and subscriptions, telephone and postage, etc. for approximately \$56,000;
- The increase in professional fees of \$67,229 is related legal fees accrued adjustments, and other legal fees incurred by the Company during the current quarter;
- The decrease in regulatory and compliance charges of \$17,902 relates to reduced fees paid to regulators for approximately \$10,000 and reductions in stock exchange fees for approximately \$11,000 all offset by an increase in transfer agent fees for approximately \$3,000;
- The decrease in wages and salaries results principally from the dismissal of a senior officer during the fourth quarter F2018 resulting in savings of approximately \$75,000 and related payroll benefits, and other timely-related adjustments for approximately \$10,000.



**Management Discussion & Analysis  
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**Non-Recurring costs**

Included in general and administrative expenses during the six months ended October 31, 2018, are approximately \$354,000 in charges related to proxy solicitation and advisory fees as well as forensic charges related to the disputed proxy solicitation that was concluded at the special shareholders meeting held on July 24, 2018.

**Summary of Quarterly Information**

Three months ended	Interest income	Net income (loss)		G&A	Working Capital	Total assets
		Total	Per share			
October 31, 2018	\$ -	\$ (315,728)	\$ (0.00)	\$ 540,253	\$ (1,170,638)	\$29,700,149
July 31, 2018	791	(651,274)	(0.00)	719,815	(1,527,277)	29,306,086
April 30, 2018	27	(4,926,446)	(0.01)	5,216,781	(1,049,636)	29,592,034
January 31, 2018	5,483	(765,188)	(0.00)	767,724	(148,341)	33,386,177
October 31, 2017	13,057	(513,441)	(0.00)	629,648	2,112,488	33,880,840
July 31, 2017	24,554	(439,088)	(0.00)	611,560	4,855,605	34,064,598
April 30, 2017	33,642	(1,274,321)	(0.01)	1,253,251	7,031,086	34,610,736
January 31, 2017	-	(653,894)	(0.00)	717,143	6,706,453	32,442,324

**Liquidity and Capital Resources**

The Company has previously financed its operations primarily through the issuance of share capital. The continued operations of the Company are dependent on its ability to complete sufficient public equity financing or generate profitable operations in the future. Other financing alternatives that the company is employing and are considered less dilutive include the disposition of non-core assets such as royalties and mineral rights.

The Company has a working capital deficiency of approximately \$1,200,000 as of October 31, 2018, an improvement of \$0.4 million compared to Q1F2019, with a cash balance of \$427,794 (July 30, 2018: \$121,367).

The working capital deficiency results from the combination of an exploration program initiated by the former CEO which was started based on an unauthorized financing, hence never concluded, together with non-recurring expenses incurring in the proxy solicitation.

The Company expects that, within a few months, it will be able to reorganize its finances and achieve an appropriate working-capital position. Results of the latest strategies implemented include:

- On September 19, 2018 AZX announced the closing of \$1,000,500 non-brokered flow-through financing by issuing 18,190,910 common shares of the Company at \$0.055. Alexandria paid a commission of 6% on these proceeds.



**Management Discussion & Analysis  
For the three and six months ended October 31, 2018**

- On September 19, 2018, AZX announced that it has closed agreements with certain third-party contractors to settle an aggregate of \$467,999 of debt in consideration for the issuance of 8,509,091 common shares of the Company at a deemed price of \$0.055 per common share.
- The Company also disposed during the first quarter of fiscal 2018 of certain net smelter royalties for \$275,000 and mineral rights on non-core assets for \$70,000.
- Subsequent to quarter end the Company disposed of certain non-core mineral assets located in Manitoba for \$500,000;

The Company actively manages its liquidity using budgeting based on expected cash flows to ensure there are appropriate funds for meeting short term obligations during the year.

**Commitments:**

Exploration work and shares payments:

In April 2017, the Company entered into an Option Agreement with Golden Valley Mines (“Golden Valley”), enabling Alexandria to earn 80% in the Centremaque Property. Alexandria may earn 80% in the property by issuing treasury shares of Alexandria to Golden Valley over a 4-year period from the date of signing with a total value of \$250,000, and by conducting exploration activities totalling \$4 million over the same 4 -year period. The price of the shares, and therefore the number of shares to be issued, is determined by reference to the market price at the time each tranche is due. Upon the 80% earn-in, the two companies will form a Joint Venture to further explore, and if warranted, develop the property. Once the 80% interest is vested for Alexandria, Golden Valley will have a 20% free-carried interest. In addition, Golden Valley retains a 1.5% Net Smelter Return, of which 0.5%, or a third, may be purchased by Alexandria for \$1,000,000.

The following schedule describes the exploration and share issuance commitments that the Company has under the Golden Valley Option Agreement:

	Securities		Required exploration work	Incurred	Planned expenditure
Upon exchange approval	\$ 25,000 (issued)		-	-	-
Prior to April 20, 2018	\$ 25,000 (issued)	\$	250,000	302,000	-
Prior to April 20, 2019	\$ 50,000	\$	500,000	-	450,000
Prior to April 20, 2020	\$ 50,000	\$	1,250,000	-	-
Prior to April 20, 2021	\$ 100,000	\$	2,000,000	-	-

Leases:

The Company is obligated under an operating lease for rental of office space in Toronto, Ontario in the amount of \$11,323 per month expiring October 31, 2021.

Other commitment:

As of October, 31, 2018, the Company is required, in the event of a change in control, to compensate Mario Miranda/Finterra Consulting Inc. (CFO) for \$185,000.



**Management Discussion & Analysis  
For the three and six months ended October 31, 2018**

**Contingencies:**

In March 2018, Eric Owens (Alexandria's former CEO and director) and Antonios Dan Palikrousis (a shareholder at the time of the application), commenced an application against Alexandria and four of its directors, being Peter Gundy, Walter Henry, Gary O'Connor and Priya Patel. The applicants originally sought a date for a shareholder meeting to replace the current Board as well as oppression relief removing the four responding directors and an unspecified amount of damages. Since the Company scheduled and held a shareholder meeting for July 24, 2018, the applicants are no longer seeking the meeting date as relief in the application. Since serving the application record in March 2018, the applicants have taken no steps to advance the litigation. No provision has been provided in the consolidated financial statements at April 30, 2018.

The Company received, subsequent to quarter end, a Statement of Claim filed by Eric Owens with the Ontario Superior Court of Justice related to his dismissal.

**Related Party Transactions**

During the three months ended July 31, 2018 and 2017 the Company made payments to companies related to executives and officers of the Company and or to officers and executives of the Company as indicated in the table below:

- The Company paid management fees to Baker Creek Management, a company controlled by a related party of the former Chief Executive Officer ("CEO") of the Company.
- The Company paid management fees to Finterra Consulting Inc., a company controlled by the Chief Financial Officer ("CFO").
- The Company paid management fees to WCH Consulting Inc., a company controlled by the Interim CEO of the Company.

The following schedules shows the payments of management fees and other management and director compensations for the three and six months ended October 31, 2018 and 2017:

<b>Periods months ended October 31,</b>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Baker Creek	\$ -	\$ 50,000	\$ -	\$ 100,000
Finterra Consulting	22,500	22,500	45,000	45,000
Mary Vorvis	-	41,250	-	42,500
WCH Consulting Inc.	31,667	-	31,667	-
	<b>\$ 54,167</b>	<b>\$ 113,750</b>	<b>\$ 76,667</b>	<b>\$ 187,500</b>
<b>Other payments:</b>				
Director fees	\$ 25,875	\$ 24,875	\$ 51,750	\$ 49,625
Share-based payment Directors, CEO, CFO	\$ 62,446	\$ 59,875	\$ 204,506	\$ 119,750

As of October 31, 2018, the Company has advanced \$102,500 to Folkstone Capital Corporation, a capital pool company ("CPC") of which a director and an officer of the Company are shareholders. The CPC was intended as an investment vehicle for Alexandria to reorganize its base metal properties in Manitoba so to



## Management Discussion & Analysis For the three and six months ended October 31, 2018

improve shareholder value; this decision was deferred due to market conditions. The advance balance has no terms of repayment and is included in sales tax and sundry receivable. The Manitoba properties were recently disposed off for \$500,000.

### Subsequent Events

- Subsequent to quarter end the Company disposed of certain non-core mineral assets located in Manitoba for \$500,000;
- The Company received a Statement of Claim filed by Eric Owens with the Ontario Superior Court of Justice related to his dismissal.

### Outstanding Shares Data

As at the date of this report, the number of common shares outstanding or issuable pursuant to other outstanding securities is as follows:

Balance at April 30, 2018	479,954,117
<i>Issued during fiscal 2019:</i>	
- On private placement	18,190,910
- On debt settlement	8,509,091
Balance at October 31, 2018	506,654,118
Issuable upon the exercise of stock options (1)	23,560,000
Issuable upon the exercise of vested warrants (2)	114,969,428
Fully Diluted number of shares at the date of this report	1,151,837,664

#### (1) Stock options:

During the first quarter of fiscal 2019, the Company granted 1,850,000 and 7,500,000 stock options in separate tranches. Each option is exercisable at \$0.05 for a period of 5 years with 1/3 vesting immediately and 1/3 vesting on the second and third anniversary of grant.

The following schedule describes the stock options outstanding as at the date of this report:



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Expiry date	No. of options	Exercise	
		price	Vested
March 7, 2019	2,890,000	0.10	2,890,000
July 20, 2019	50,000	0.10	50,000
August 29, 2019	250,000	0.10	250,000
July 20, 2020	200,000	0.10	200,000
December 21, 2020	3,770,000	0.05	3,770,000
January 13, 2022	6,050,000	0.06	4,033,333
March 31, 2022	1,000,000	0.065	666,666
July 25, 2023	1,850,000	0.05	616,667
July 29, 2023	7,500,000	0.05	2,500,000
	23,560,000	0.060	14,976,666

(2) The following schedule describes the warrants outstanding at the date of this report:

Issuing base	Expiry date	Warrants	Exercise	
			Price	Fair value
Private placement	June 13, 2019	15,709,991	\$0.100	\$ 509,004
Private placement	June 20, 2019	23,320,387	0.100	851,194
Private placement	December 20, 2019	19,254,545	0.080	679,685
Private placement	December 20, 2019	5,122,565	0.055	275,594
Private placement	December 23, 2019	1,850,000	0.080	72,890
Compensation w warrants	December 23, 2019	4,073,274	0.060	164,560
Compensation w warrants	December 23, 2019	222,000	0.055	13,342
Private placement	April 13, 2019	2,500,000	0.060	139,000
Private placement	April 13, 2019	42,916,666	0.090	935,487
Total warrants issued at the day of this report		114,969,428	\$0.088	\$ 3,640,756

**Off-Balance Sheet Transactions**

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

**Proposed Transactions**

The Company, from time to time, reviews potential mergers, acquisitions, investment and joint venture opportunities.

**Accounting Policies and Critical Accounting Estimates**

**Basis of presentation**

The financial statements of Alexandria have been prepared on an historical cost basis except for the



## **Management Discussion & Analysis**

### **For the three and six months ended October 31, 2018**

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revaluation of certain financial instruments to fair value. In addition, the financial statements of Alexandria have been prepared using the accrual basis of accounting except for cash flow information. The financial statements of Alexandria have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretation Committee ("IFRIC"). The policies have been consistently applied to all periods presented.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

For a full set of Alexandria's significant accounting policies and estimates please see Note 2 of the Company's audited consolidated financial statements as of April 30, 2018.

The preparation of the Company's consolidated financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Measurement uncertainties are described in the Company's consolidated financial statements for the year ended April 30, 2018.

### **Changes in Accounting Policies Including Initial Adoption**

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#### *Change in accounting policies:*

IFRS 9 — Financial instruments ("IFRS 9") was updated by the IASB in November 2009 and will replace part of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 addresses the classification and measurement of financial assets. The two measurement categories for financial assets include amortized cost and fair value. All equity instruments are measured at fair value. A debt instrument is recorded at amortized cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest. Otherwise it is recorded at fair value through profit or loss.

Requirements for financial liabilities were added in October 2010 and they largely carried forward existing requirements in IAS 39, Financial Instruments — Recognition and Measurement, except that fair value changes due to credit risk for liabilities designated at fair value through profit and loss would generally be recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. On May 1, 2018, the Company adopted these amendments.

Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 contains the primary measurement categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit and loss (FVTPL).



## **Management Discussion & Analysis**

### **For the three and six months ended October 31, 2018**

Please see Note 2 of the October 31, 2018 unaudited financial statements for a detail of the impact on the classification and measurement of its financial instruments.

Marketable securities previously classified as available-for-sale financial assets satisfied the conditions for classification as financial assets at FVTPL and the Company elected to irrevocably designate them at FVTPL. Gains and losses in respect of these investments are recognized in income or loss in the unaudited condensed interim consolidated statements of loss.

#### *New standards not yet adopted and interpretations issued but not yet effective:*

IFRS 16, Leases ("IFRS 16") was issued in January 2016, and supersedes IAS 17, Leases. This standard introduces a single lessee accounting model. The new standard will affect the initial present value of unavoidable future lease payments as lease assets and lease liabilities on the statement of financial position, including for most leases which are currently accounted for as operating leases. The Standard is effective for annual periods beginning on or after January 1, 2019. The Company intends to adopt the standard on its effective date and is assessing the impact of IFRS 16 on its unaudited condensed interim consolidated financial statements.

#### **Financial Instruments**

Financial instruments are exposed to commodity price risk, liquidity and market risks. The Company has not entered into any hedging or other derivative agreements to minimize commodity risk.

#### **Disclosure of Internal Controls**

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Company utilizes the Venture Issuer Basic Certificate, which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

- (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.



## **Management Discussion & Analysis** **For the three and six months ended October 31, 2018**

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

### **Risk Factors**

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The resource exploration industry is an inherently risky business with significant capital expenditures and volatile metals markets. The marketability of any minerals discovered may be affected by numerous factors that are beyond the Company's control and which cannot be predicted, such as market fluctuations, mineral markets and processing equipment, and changes to government regulations, including those relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

#### ***Capital Requirements***

Alexandria will require significant capital in order to fund its operating costs, to service future indebtedness and to explore and develop any project. Alexandria has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. Alexandria will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Alexandria or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Alexandria, the interests of shareholders in the net assets of Alexandria may be diluted. Any failure of Alexandria to obtain financing on acceptable terms could have a material adverse effect on Alexandria's financial condition, prospects, results of operations and liquidity and require Alexandria to cancel or postpone planned capital investments.

#### ***Dependence on Mineral Exploration Projects***

Any adverse development affecting the progress of Alexandria's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on Alexandria and its business or prospects.

#### ***Metal Prices***

The development and success of any project of Alexandria will be primarily dependent on the future price of gold and other metals. Gold and base metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the control of Alexandria. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of gold and other precious and base metals has fluctuated widely in recent years, and future serious price declines could cause any future development of and commercial production from Alexandria's properties to be impracticable. Depending on the price of gold and other metals, projected cash flow from planned mining operations may not be sufficient and Alexandria could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from Alexandria's mining properties is dependent on gold and base metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of Alexandria's investment in mining properties and increased amortization, reclamation and closure charges.



## **Management Discussion & Analysis**

### **For the three and six months ended October 31, 2018**

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In addition to adversely affecting Alexandria's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

#### ***Government Regulation, Permits and Licences***

Alexandria's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labor standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Many of the mineral rights and interests of Alexandria are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that Alexandria will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; Alexandria may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Where required, obtaining necessary permits and licenses can be a complex, time consuming process and Alexandria cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict Alexandria from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of such mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on Alexandria and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

#### ***Competition***

The mining industry is competitive in all of its phases. Alexandria faces strong competition from other exploration and mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Alexandria. As a result of this competition, Alexandria may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Alexandria could be materially adversely affected.



**Management Discussion & Analysis**  
**For the three and six months ended October 31, 2018**

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***Exploration, Development and Operational Risk***

The exploration for, and development of, mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Alexandria not receiving an adequate return on invested capital.

Alexandria does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by Alexandria towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore.

Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of, gold and other precious or base metals. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability.

***Joint Venture Strategy***

Alexandria's business strategy includes continuing to seek new joint venture opportunities. In pursuit of such opportunities, Alexandria may fail to select appropriate joint venture partners or negotiate acceptable arrangements, including arrangements to finance such opportunities or, where necessary, integrate the acquired businesses and their personnel into Alexandria's operations. Alexandria cannot assure that it can complete any business arrangement that it pursues on favorable terms, or that any business arrangements completed will ultimately benefit Alexandria's business.

***Reliance on Management and Key Employees***

The success of the operations and activities of Alexandria is dependent to a significant extent on the efforts and abilities of its management, its management committee, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Alexandria does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Alexandria's operations and financial performance.

***No Assurance of Titles, Boundaries or Approvals***

Titles to Alexandria's properties may be challenged or impugned, and title insurance is generally not available. Alexandria's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Alexandria may be unable to



## **Management Discussion & Analysis** **For the three and six months ended October 31, 2018**

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operate its properties as permitted or to enforce its rights with respect to its properties. Alexandria cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Alexandria's operations.

### ***Environmental Risks and Hazards***

All phases of Alexandria's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Alexandria's operations. Environmental hazards may exist on the properties in which Alexandria holds interests which are unknown to Alexandria at present and which have been caused by previous or existing owners or operators of the properties.

### ***Uninsured Risks***

Alexandria's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Alexandria's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability.

Although Alexandria maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Alexandria may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Alexandria on affordable and acceptable terms. Alexandria might also become subject to liability for pollution or other hazards which may not be insured against or which Alexandria may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Alexandria to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

### **Information Regarding Forward-Looking Statements**

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This MD&A may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements speak only as of the date on which they are made, are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Examples of some of the specific risks associated with the operations of the Company are set out below under "Risk Factors". Actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements.



**Management Discussion & Analysis**  
**For the three and six months ended October 31, 2018**

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**Qualified Person and Note on Current Resources**

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In this report, the Company relies principally on Mr. Philippe Berthelot, P Geo as the Qualified Person ("QP's") for all properties as defined under National Instrument 43-101 ("NI 43-101"), with contribution by external QP's as needed. Mr. Berthelot has read and approved the technical and scientific information contained in this MD&A. Disclosure of mineralization on adjacent properties has not been verified by the QP's and is not necessarily indicative of the Company's anticipated results. As of the date of this MD&A, the Company has reported Current Resources as defined by NI 43-101 on three of its gold projects in the Val d'Or area, its Orenada, Akasaba, and Sleepy properties. The remaining properties do not contain resources compliant with NI 43-101, and there is no guarantee that economic deposits exist on them. It is uncertain if further exploration will result in such targets being delineated as Current Resources.

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