NEVADA CLEAN MAGNESIUM INC.
Management's Discussion and Analysis
For the Year Ended October 31, 2018

This management's discussion and analysis of Nevada Clean Magnesium Inc. (the "Company") contains analysis of the Company's operational and financial results for the year ended October 31, 2018. The following should be read in conjunction with the Company's consolidated financial statements for the year ended October 31, 2018. All figures are in Canadian dollars unless otherwise stated.

DATE OF REPORT

February 7, 2019

JURISDICTION OF INCORPORATION AND CORPORATE NAME

The Company was incorporated under the Company Act (British Columbia) on March 24, 1966 as "Ft. Lauderdale Resources Inc.". The Company changed its name to Amcorp Industries Inc. on July 20, 1990, and to Molycor Gold Corporation on May 17, 1996 and to Nevada Clean Magnesium Inc. on April 16, 2012. The Company is a reporting issuer in the provinces of British Columbia and Alberta. The Company's common shares trade on the TSX Venture Exchange under the symbol "NVM" and on the OTCQB market under the symbol "MLYFF" and on Frankfurt exchange under the symbol "M1V". The Company has one wholly owned subsidiary, Nevada Clean Magnesium USA, Inc. (former "Nevada Moray Inc.', name change on May 16, 2018), incorporated in the State of Nevada. Nevada Moray Inc. manages the exploration work on the Company's Nevada properties. The Company's head office is located at #602 – 15216 North Bluff Road, White Rock, British Columbia V4B 0A7.

HIGHLIGHTS

On November 06, 2017, the Company announced preliminary "proof of concept" in the production of magnesium metal from its bench scale pilot furnace located in Northern British Columbia. The metal is a result from a partial test charge being conducted in order to identify any operational deficiencies prior to a full charge of dolime material. The charge contained dolomite from the Company's Tami Mosi deposit located east of Ely, Nevada and ferro silicon the identified base case reductant material contained in the NI 43-101.

On January 11, 2018 the company responded to an inquiry by the OTC Markets regarding recent promotional activity respecting the Company's stock and issues this news release at their request.

On January 23, 2018, the Company received the final assay report assessing the purity of the raw magnesium metal produced from its bench scale pilot furnace test program. The testing was analyzed by Gateway Analytical located in Gibsonia, Pennsylvania, USA in accordance with ASTM E1479-16 standards via inductively coupled plasma (ICP). This unrefined magnesium metal was found to have a very good metal purity capable of producing ASTM B92 grade metal with minimal treatment. No impurities which would impact food grade applications were found.

On June 26, 2018, the Company signed the definitive agreements and entered into a Sublicense Agreement and a Joint Services Agreement, both with Big Blue Technologies LLC of Colorado ("BBT"). BBT has recently signed an exclusive license with the University of Colorado respecting certain patents and processes owned by the University relating to producing magnesium, primarily using the chemistry known as carbothermal reduction which BBT developed together with the University (the "BBT Process"). Under the Sublicense Agreement, NCM and BBT will jointly develop the BBT Process and NCM will have an exclusive sublicense to utilize the BBT Process so long as it pays license fees and meets certain other conditions.

Under the Joint Services Agreement, BBT and its scientific team will assist the Company in further developing and commercializing the Company's own process of producing magnesium, which unlike the BBT Process, uses either a silicothermic process or a proprietary reductant (the "NCM Process").

In July 2018, the Company contracted Industrial Surplus Ltd. ("ISL") located in Fort St John, British Columbia, to build the newly designed continuous silico-thermic reduction furnace. When Big Blue Technologies LLC. commences fabrication of its continuous carbo-thermic reactor and liquid phase condenser, ISL will also provide technical support for instrumentation, electrical and operational programing.

The Company signed a definitive agreement with The Stirling Group of Vancouver for an intial 6 month renewable contract for consulting services intended to position the Company for future expansion into production of magnesium metal that meets market demand, build revenues and establishes name recognition to gain greater attention from the investment community. Stirling's plans should help the Company make a production decision in the future.

In December 11, 2018, the technical team under the guidance of James Sever, P. Eng., has produced a magnesium ingot from dolomite secured from the Tami-Mosi property. This completes the proof of concept stage allowing the technical team to develop an efficient pilot furnace capable of producing 2 kilograms of magnesium metal per hour.

The company has also engaged Silvertip Design NW for the design drawings for the silicothermic reduction unit.

OUTLOOK

The outlook for the Company is positive; however, the mining and metals investment sector for junior companies is slowly improving but the investment community is still very selective. The investment community shows interest in well planned and solid projects with a bright economic future such as ours but are nervous to invest into pre-revenue generating companies due to the volatile global financial sector. The demand and uses for magnesium continues to expand and there is strong demand for a second producer within the USA. In light of this, Management continues to endeavor to source funding and maintain a steady path for proceeding with the development of the Company's largest asset, being the Tami – Mosi magnesium project located in Nevada, which is being led by a proven, technically focused management team dedicated to taking the magnesium project to full development.

MINERAL EXPLORATION PROJECTS

Analysis of mineral property costs

	Beaverdell Property	Silverado Property	Tami-Mosi Property	Total
Balance, October 31, 2016	$ 1	$ 1	$ 1,445,158	$ 1,445,160
Foreign currency translation	-	-	(56,426)	(56,426)
Engineering	-	-	17,549	17,549
License	-	-	1,385	1,385
Balance, October 31, 2017	**1**	**1**	**1,407,665**	**1,407,667**
Foreign currency translation	-	-	27,574	27,574
License	-	-	18,439	18,439
Balance, October 31, 2018	**$ 1**	**$ 1**	**$ 1,453,678**	**$ 1,453,680**

The Tami-Mosi property continues to be the primary core property on which the Company is focused.

Nevada, USA Mineral Properties

Silverado Property

The Silverado property is located in the Pinto mining district of Nevada, consists of 3 patented mining claims totaling approximately 120 hectares, and is 100% owned by the Company. The property has been impaired to $1 and the Company has no current plans for this property.

Tami-Mosi Magnesium Property, Nevada

The Company owns 100% interest in the unpatented mining claims located in the Schell Creek Range, 6.5 miles south- east of the town of Ely. The property consists of 81 unpatented mining claims totaling approximately 677 hectares and 4 quartz unpatented claims totaling approximately 33 hectares, and is subject to a 2% net smelter royalty in favor of the originating vendors.

The Company entered into an agreement with ScanMag AS ("ScanMag") on May 9, 2014 to form a joint venture whereby the

Company will own 60% and ScanMag would purchase 40% of the Tami-Mosi property. On January 6, 2015, the Company renegotiated its joint venture agreement with ScanMag. On October19, 2016, the Company granted an extension to the joint venture agreement and granted the next 6-month extension which lapsed December 18, 2016. On February 24, 2017, the joint venture agreement was terminated.

On August 22, 2007 the Company announced the start of a drill program. The program consists of up to 25 holes, totaling 15,000 feet (4500 meters) in 25 reverse circulation rotary holes to test four target areas along a strike length of more than 3 miles (5000 meters) as identified by the geological mapping, outcrop sampling, a biogeochemical survey and a resistivity/spontaneous potential geophysical surveys. The drilling program tested alluvium-covered extensions of known surface mineralized zones. All assays were received for the program which consisted of 14 reverse circulation holes totaling 8,420 feet (2,567 meters) being drilled into the four identified old bearing with minimum gold results. However, in February 2008, the Company announced the discovery of high grade manganese grading 35.2% Mn over 15 feet (4.60 meters) in hole # TM-07-003 during the Phase I drilling program.

An additional nine diamond drill holes were completed in May, 2008. The recognition of magnesium in the assays resulted in the discovery of the potential for magnesium development. The nine holes ranged from 27.5 meters (90 ft) grading 10.5% Mg (17.12% MgO), to 164.63 meters (540 ft) grading 11.4% Mg (18.60% MgO), reporting Mg values over 2,600 meter (8,500 ft) strike length. Most of the drill holes ended in mineralization. The deposit remains open to the north along strike and to depth.

The Company engaged Teck Cominco Global Discovery Labs to analyze a 9.2 meter (30 ft.) section of hole # TM 07- 13 from 270 – 300 feet (82.3 m – 91.5 m), for purity of the dolomite. Hole # TM 07-13 averaged 11.4% Mg (18.6% MgO) over 164.4 meters (540 ft.). Results returned a high purity form of dolomite that is virtually identical with the National Bureau of Standards (NBS), Standard 88B.

In news release dated October7, 2009, the Company announced receipt of NI 43-101 updated resource report from Norm Tribe and Associates quoting 236,183,772 tonnes of an inferred resource at a grade of 10.0% Magnesium. The NI 43-101 resource study estimate at 8.0% Magnesium cut-off is summarized as follows:

RESOURCE CALCULATIONS FOR TAMI-MOSI							
SECTION	**AREA Sq.m.**	**HORIZ. m.**	**VOLUME Cu.m.**	**TONNAGE Tonnes**		**GRADE POUNDS % Mg**	
1	43500N	72,450	100	7,245,000	205,75,800	.12	5,486,331,312
2	43200N	78,378	100	7,837,800	22,259,352	.62	5,200,675,001
3	43100N	58,873	100	5,887,300	16,719,932	.16	3,737,239,201
4	4300N	62,513	100	6,251,300	177,53,692	.22	4,772,902,557
5	42700N	46,354	100	4,635,400	13,164,536	.09	2,922,263,701
6	42600N	64,290	100	6,429,000	18,258,360	.19	3,691,475,225
7	42500N	99,316	100	9,931,600	28,205,744	0.5	6,515,526,864
8	42000N	29,483	100	2,948,300	8,373,172	.16	1,871,571,405
9	4200N	65,001	100	6,500,100	18,460,284	.02	4,475,511,253
10	41800N	26,558	100	2,655,800	7,542,472	.74	1,616,200,900
11	41800N	16,897	100	1,689,700	4,798,748	.38	1,201,414,549
12	41300N	26,491	100	2,649,100	7,523,444	.45	1,564,124,008
13	4100N	37,326	100	3,732,600	10,600,584	.33	2,175,875,872
14	40900N	17,436	100	1,743,600	4,951,824	10.21	1,112,278,707
15	40900N	19,400	100	1,940,000	5,509,600	9.1	1,103,021,920
16	40800N	35,264	100	6,526,400	10,014,976	9.95	2,192,278,246
TOTAL POUNDS Mg.							49,638,690,722
TOTAL TONNES AND GRADE UNDILUTED					214,712,520	10.51	
WITH 10% DILUTION AT THE LISTED GRADE					21,471,252	4.89	2,309,877,29
DILUTED TONNAGE AND GRADE					**236,183,772**	**10.00**	**51,748,568,01**

RESOURCE CALCULATION
Pounds per 1%/Tonne 22.06 Density: 2.84
Tonnes per cubic meter

The Company engaged Hazen Research Inc. as Phase 1 Process Development Study for Exploitation of the Tami Mosi resource. The resource is a premium quality dolomite containing an estimated 236 million tonnes of dolomite.

On September 15, 2010, the Company announced the results of Hazen Research Inc.'s Phase I Process Development Study for Exploitation of the Tami-Mosi Resource. Hazen's work included a review of technical literature for recovering magnesium from dolomite deposits and the work done on the drill core samples from the Tami-Mosi testing its purity. Hazen's initial assessment indicates the high-quality dolomite is an ideal basis for the production of magnesium based refractory's, magnesium metal, cement and/or agricultural products. The report outlines potential process routes for production of both high value products and the recovery of magnesium metal and recommends Nevada Clean Magnesium Inc. to develop to a full feasibility for exploiting the resource.

In December 2010, the Company engaged Wardrop, a Tetra Tech Company, to complete a Preliminary Economic Assessment for NI 43-101 magnesium production study. The work included project management, geology, mining, metallurgical processing, environmental considerations, financial analysis, capital and operating cost estimates. In January 2011, the Company retained James Sever and Robert Brown, two renowned experts in magnesium industry, to assist the Company with the completion of the preliminary economic assessment study for the Tami-Mosi magnesium project.

In August 2011, the Company announced an updated block modeling and resource analysis completed by Wardrop Engineering that resulted in an estimated increase of the inferred resource to 412million tonnes of dolomite at an average grade of 12.3% magnesium (Mg), using a 12% Mg cut-off grade, for a contained metal content of 111 billion pounds of Mg. This estimate was included into the NI 43-101 Preliminary Economic Assessment Study for the Tami – Mosi Magnesium Project, dated September 15, 2011. The NI 43-101 compliant Report was filed with the Regulators on SEDAR.

On October 17, 2011 the Company received a paper, from Alpha Omega Engineering Inc. of Spokane Washington, USA, titled "A Discussion Paper for Potential Areas of Improvement within Nevada Clean Magnesium Inc. Tami- Mosi Magnesium Project and Possible Effects upon Projected Profitability". The Paper identifies eleven potential cost saving areas and increases to revenue streams to the current NI 43-101.

On June 17, 2013, the Company announced the acceptance and publication of a paper titled "Waste Heat Recovery Opportunities in a Magnesium Silicothermic Reduction Plant" by the TMS (The Minerals, Metals and Materials Society). The paper is authored by James Sever P. Eng., President and Director of the Company, who is recognized as a qualified person as defined by NI 43-101. The paper defines and quantifies potential reductions to operating costs and carbon dioxide emissions through energy production, whereby low-grade waste heat is recovered during the operation of the proposed vertically integrated Tami-Mosi Magnesium project.

The paper suggests the following:

- Generate 43 MW of electrical energy for use in the Tami-Mosi project;
- Reduce operating costs by $0.17 per lb. Mg ingot; and
- Reduce the carbon footprint by 51 metric ton per hour of operation. Potential ancillary benefits identified include:
- Generation of water as a co-product will eliminate the need for external water for plant operation;
- Plant productivity improvement through double operating cycles without incurring additional capital need for expansion of the power plant; and
- Facilitation of permitting of the plant and operations.

Waste heat recovery, together with the confirmation of two cycles per day as presented at the 2012 International Magnesium Association (IMA) conference by The RIMA Group, are just two of the items from the opportunities document that could potentially reduce operating costs and increase revenues for the Tami-Mosi Project.

On October 10, 2014, the Company filed an amended 43-101 preliminary economic assessment and technical report of the Tami-Mosi Magnesium Project dated effective September 15, 2011 and amended as of October4, 2014. As a result of a review by the BCSC, the Company amended the 43-101 technical report as of October4, 2014 to address the comments raised by the BCSC relating to including an after-tax based-case scenario, providing certificates of only qualified persons for all sections of the report, ensuring that the requirements for the disclosure of historical estimates have been met, ensuring that sections of the report have been updated to provide the specific disclosure required by the BCSC, and ensuring that the section on mineral resources has been revised to provide clarity on what is an inferred resource and what is a mineral reserve. There were no material differences between the mineral resources estimates regarding the Tami-Mosi Magnesium Project set out in the original report and those set out in the amended report.

In November 2014, the Company announced that the Company's Board of Directors, after an internal review and analysis, determined that the NI 43-101 Preliminary Economic Assessment of the Tami-Mosi Magnesium Project should be reviewed to consider additional potential project improvements. The original NI 43-101 Preliminary Economic Assessment was completed on September 15, 2011 and the Board believed that three potential opportunities which could significantly reduce operating costs and increase revenue on the Nevada Clean Tami- Mosi Project had been sufficiently proven and thus should be considered for inclusion in in the amended NI 43-101 report, should the independent engineer and report writer determine the opportunities are available to the Company's operations.

On January 13, 2015 the Company announced it signed a License and Royalty Agreement with its director, James Sever, P. Eng., to use Mr. Sever's unique knowledge and concepts on the Company's Tami Mosi and other properties for the commercial production of magnesium. In consideration for the license, the Company will pay to Mr. Sever a royalty in the amount of USD$0.003 per pound (USD$0.00661 per kilogram) of magnesium produced and sold by the Company where the condenser concept has been utilized and USD$0.0015 per pound of magnesium produced and sold from its properties without using the condenser concept. The initial term of the agreement ends on December 31, 2040, and is renewable.

On April 4, 2017 the Company announced the completion of the bench scale test furnace. This work was performed by Lindon Acres Enterprises of Fort St John, British Columbia.

On October 17, 2017, the Company announced successful furnace preparations which is considered a major milestone in the testing of its bench scale pilot furnace.

On November 6, 2017, the Company produced magnesium metal from its bench scale pilot furnace that provided a preliminary "proof of concept". The charge contained dolomite from the Company's Tami Mosi deposit located east of Ely, Nevada and ferro silicon the identified base case reductant material contained in the NI 43-101. Test samples were submitted for analysis including the waste residue for specifications for the potential use as saleable co-products. All residue samples generated in this test were supplied to an interested international cement company for further testing and data analysis.

On January 23, 2018, the Company received the final assay report assessing the purity of the raw magnesium metal produced from its bench scale pilot furnace test program. The testing was analyzed by Gateway Analytical located in Gibsonia, Pennsylvania, USA in accordance with ASTM E1479-16 standards via inductively coupled plasma (ICP). This unrefined magnesium metal was found to have a very good metal purity capable of producing ASTM B92 grade metal with minimal treatment. No impurities which would impact food grade applications were found.

On June 26, 2018, the Company signed the definitive agreements and entered into a Sublicense Agreement and a Joint Services Agreement, both with Big Blue Technologies LLC of Colorado ("BBT"). BBT has recently signed an exclusive license with the University of Colorado respecting certain patents and processes owned by the University relating to producing magnesium, primarily using the chemistry known as carbothermal reduction which BBT developed together with the University (the "BBT Process"). Under the Sublicense Agreement, NCM and BBT will jointly develop the BBT Process and NCM will have an exclusive sublicense to utilize the BBT Process so long as it pays license fees and meets certain other conditions. On December 5, 2018, the Company terminated the sublicensing and services agreements with Big Blue Technologies.

In July 2018, the Company contracted Industrial Surplus Ltd. ("ISL") located in Fort St John, British Columbia, to build the newly designed continuous silico-thermic reduction furnace. When Big Blue Technologies LLC. commences fabrication of its continuous carbo-thermic reactor and liquid phase condenser, ISL will also provide technical support for instrumentation, electrical and operational programing.

In December 11, 2018, the technical team under the guidance of James Sever, P. Eng., has produced a magnesium ingot from dolomite secured from the Tami-Mosi property. This completes the proof of concept stage allowing the technical team to develop an efficient pilot furnace capable of producing 2 kilograms of magnesium metal per hour.

The company has also engaged Silvertip Design NW for the design drawings for the silicothermic reduction unit.

British Columbia, Canada Mineral Properties

Beaverdell Property, Greenwood Mining Division

The Beaverdell property is located 3 kilometers southeast of Beaverdell, British Columbia, and is owned 100% by the Company.

SELECTED ANNUAL FINANCIAL INFORMATION

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS. The functional and reporting currency of the parent has been determined to be Canadian dollars. The functional currency of the subsidiary has been determined to United States dollars.

The selected annual information for the years ended October 31, 2018, 2017 and 2016.

Years Ended:	**October 31, 2018**	October 31, 2017	October 31, 2016
Revenues	$ -	$ -	$ -
Expenses	1,083,861	935,457	683,958
Other expenses (recovery)	-	(48,840)	(161,008)
Net loss	1,190,329	886,618	522,950
Comprehensive loss		942,634	488,018
Basic and diluted loss per share	(0.01)	(0.01)	(0.00)
Total current assets	262,190	477,547	103,882
Total assets	1,725,439	1,997,079	1,552,542
Total current liabilities	1,102,326	1,026,858	1,173,069
Total long-term liabilities	-	385,775	427,625

RESULTS OF OPERATIONS

The following financial data are derived from our consolidated financial statements for the year ended October 31, 2018.

Year ended October 31, 2018 and 2017

The comprehensive loss for the year ended October 31, 2018 was $1,163,586 which compares to $942,634 in 2017. Net loss totaled $1,190,329 and $886,618 for the 2017. The significant fluctuations in costs are as follows:

Consulting and management fees (2018 - $442,121; 2017 - $296,641)
The increase in consulting and management fees is a result of engagement more consulting companies in 2018 compare to 2017.

Professional fees (2018 - $74,937; 2017 - $50,765)
The increase in professional fees the result of increased legal and audit services provided to the Company.

Shareholder communication (2018 - $96,559; 2017 - $65,928)
In 2018, the Company's engaged Big Reach Media, Inc to assist with its investor relations activities, to initiate coverage via marketing initiatives to enhance market awareness using a full suite of investor relations services.

Foreign exchange loss on transaction with vendors (2018 – loss of $20,540; 2017 – gain of $21,789)
The increase in foreign exchange is due to FX rate fluctuation.

Interest expense (2018 – $74,609; 2017 - $39,373)
Interest expense was accrued on $420,000 of convertible debenture, which was settled on October 12, 2018.

The above increases in expenses were partially offset by decreases in office and miscellaneous, non-cash stock-based compensation expense, salaries, transfer agent fees and travel.

Office and miscellaneous (2018 - $89,955; 2017 - $134,132)
The 2018 decrease is due to reduction in rent and auto expenses.

Salaries (2018 – $62,940; 2017 - $84,156)
In 2018, the president of the Company reduced his salary.

Transfer agent (2018 - $30,035; 2017 – 43,290)
The decrease is due to the Company got OTCQB listing in 2017 and higher volume of regulatory filing fees occurred.

Stock based compensation *(2018 - $152,347; 2017 – $195,785)*
1,100,000 stock options were granted in 2018 and 4,900,000 stock options were granted in 2017.

Financial Position – October 31, 2018 and 2017

Current assets as at October 31, 2018 were $262,190 compared to $477,547 at October 31, 2017.

Exploration and evaluation assets increased to $1,453,680 on October 31, 2018 from $1,407,667 as of October 31, 2017 of due to 2018 mining license fees and foreign exchange fluctuation.

Current liabilities as at October 31, 2018 increased by net $75,467, over October 31, 2017.

Additional information on share issuances is contained under "*Liquidity and Capital Resources*".

Summary of Quarterly Results

Summarized results for the most recent eight quarters are as follows:

Quarters ended:	October 31, 2018	July 31, 2018	April 30, 2018	January 31, 2018
Comprehensive loss	$570,869	$106,133	$208,210	$278,375
Basic and diluted loss per share	$0.01	$0.00	$0.00	$0.00

Quarters ended:	October 31, 2017	July 31, 2017	April 30, 2017	January 30, 2017
Comprehensive loss	$ 123,369	$ 369,397	$282,689	$174,188
Basic and diluted loss per share	$0.01	$ 0.00	$0.00	$0.00

(Fully diluted losses per share amounts have not been calculated as they would be anti-dilutive.)

Three months ended October 31, 2018 and 2017

During the fourth quarter of 2018, the Company reported a $584,207 loss and $570,869 comprehensive loss respectively vs $167,293 of loss and $123,360 comprehensive loss in 2017.

The major increases were $113,640 of non-cash share-based compensation expense for the options granted in 2018 vs 2017; $165,746 in consulting and management fees; and $37,198 in interest expense on convertible debentures. These increases were offset by $34,738 in office miscellaneous, $39,272 in travel expenditures, and $11,734 foreign currency loss on transactions with subsidiary.

LIQUIDITY AND CAPITAL RESOURCES

Year ended:	October 31, 2018	October 31, 2017
Current assets	$ 262,190	$ 477,547
Exploration and evaluation assets	1,453,680	1,407,667
Equipment	6,069	108,365
Reclamation bonds	3,500	3,500
Current liabilities	1,102,326	1,026,858
Long term liabilities	-	385,775
Shareholders' equity (deficiency)	623,113	584,445
Working capital deficiency	(840,136)	(549,311)

The Company has historically relied upon equity financings to satisfy its capital requirements and will continue to depend heavily upon the capital markets to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on terms acceptable to the Company. The Company anticipates it will need additional capital in the future to finance ongoing exploration of its properties, which will be derived from the exercise of stock options and warrants, and/or private placements.

As at October 31, 2018, the Company had a cash balance of $239,807 (October 31, 2017 - $380,961) and a working capital deficiency of $840,136 compared to working capital deficiency of $549,311 as at October 31, 2017.

Operating activities used cash of $680,792 during 2018, compared to $707,320 in 2017.

During the year, the Company bought computer equipment on $6,773 and spent $18,438 on Tami-Mosi licences.

The Company collected $564,410 in two private placement closed in fiscal 2018 and 13,000 options exercised during the year.

The Company does not generate revenue from operations and is dependent upon its ability to raise equity capital through the issuance of shares and exercise of warrants to pay ongoing operating expenses and the costs associated with its exploration and development activities. The Company expects this to continue for the foreseeable future.

SUBSEQUENT EVENTS

a. On November 30, 2018, the Company closed the second tranche of non-brokered private placement, originally announced on September 14, 2018, comprising of 7,699,760 units for gross proceeds of $384,988. Each unit consists of one common share at a price of $0.05 and one common share purchase warrant exercisable into one common share for a period of two years at a price of $0.08. An acceleration clause is included with the warrants such that the Company has the right, on thirty days' written notice, to require a holder to exercise the warrants so long as the closing trading price of the Company's common shares on the Company's principal trading market exceeds $0.10 per share for at least ten consecutive trading days at any time prior to the date of the Call Notice. The warrants will terminate on the date that is thirty days from the date of the call notice in the event that the holder has not exercised the warrants in accordance with the terms of the Call Notice by such date.

   The Company paid a finder's fees of $24,001 in cash and 145,960 shares in connection with the second tranche.

b. Subsequent to October 31, 2018, the Company issued a total of 150,000 shares to Lodestar for the services provided.

c. On December 5, 2018, the Company granted 9,600,000 stock options for its directors, officers, advisors and consultants. The options are exercisable at a price of $0.05 per share for a five-year term.

d. On December 5, 2018, the Company has ended its Assignment and Assumptions, Sublicense & Services, and Joint Services Agreements with Big Blue Technologies and has accepted the resignation of Dr. Aarron Palumbo and Dr. Boris Chubukov from the Board of Directors.

On November 6, 2018, executive employment contracts were entered into for Barrie Fraser, Edward Lee and Sam Ataya, new officers of the Company. President, Barrie Fraser, will be paid an annual base salary of $220,000, which will be subject to all required deductions. Until a financing in the amount of $5,000,000 net to the Company (the "Financing Milestone") is received, the Company will pay the president a total of $8,000 per month.

Edward Lee will be paid an annual base salary of $420,000 which will be subject to all required deductions. Until the Financing Milestone is received, the Company will pay Edward Lee a total of $13,000 per month. The remainder of the base salary due to the executive will be accrued without interest.

Sam Ataya will be paid an annual base salary of $325,000 which will be subject to all required deductions. Until the Financing Milestone is received, the Company will pay Sam Ataya a total of $10,000 per month.

The remainder of the base salaries due to the executives will be accrued without interest. Upon achieving the Financing Milestone, accrued but unpaid base salaries will be paid. In the event that the Financing Milestone is not achieved on or before May 1, 2019, the parties may agree to make application to the TSX-V to pay the accrued salaries to the executives in common shares of the Company upon terms as determined by the policies of the TSX-V.

e. On January 13, 2019, the Company entered into an employment agreement with John Ulmer for Investor Relations. Under the terms of the agreement, Mr. Ulmer will be paid an annual base salary of $90,000 which will be subject to all required deductions.

f. On December 10, 2018, the Company announced that it intends to raise up to $700,000 by way of a non-brokered private placement of units of the Company at a price of $0.05 per unit. The Offering is subject to TSX -V final acceptance. Each unit will consist of one common share and one warrant. Each warrant will be exercisable into one common share for a period of two years at a price of $0.08. An acceleration clause is included with the warrants such that the Company has the right, on thirty days' written notice, to require a holder to exercise the warrants so long as the closing trading price of the Company's common shares on the Company's principal trading market exceeds $0.10 per share for at least ten consecutive trading days at any time prior to the date of the Call Notice. The warrants will terminate on the date that is thirty days from the date of the call notice in the event that the holder has not exercised the warrants in accordance with the terms of the Call Notice by such date.

On January 26, 2019, The Company closed first tranche of non-brokered private placement announced on December 10, 2018 for gross proceeds of $317,422 comprised of 6,348,435 units at a price of $0.05. The Company paid finders fees totaling $7,295.39 in cash, 530,077 shares and 40,000 broker warrants under the same terms as the financing in connection to this closing.

USE OF PROCEEDS FROM FINANCING

Date of financing	**Actual use of proceeds**
2018 financing: $155,000	Funds used for general working capital and furnace engineering
2018 financing: up to $250,000	Funds will be used for general working capital
2018 financing: up to $409,000	Funds used for general working capital and furnace engineering
2018 financing: up to $700,000	Funds will be used for general working capital

COMMITMENTS

On January 1, 2016, the Company signed a service agreement with Lodestar Management Group, LLC. ("Lodestar"), a US corporate logistics company, which was extended on January 1, 2017 and 2018 with the same terms. Lodestar will provide advisory, consulting, negotiation and other management services relating to corporate management, administrative and/or operational activities of the Company. The term of the contract is for one year and is renewable. The Company has agreed to compensate Lodestar in the amount of $2,500 per month by arrangement of the issuance of shares. The number of shares issued will be based on the share price on the day of issuance that is not lower than the $0.05 per share minimum requirement and will not exceed $2,500 in value. The shares will be issued on the last working day of each month for a period of twelve months. The Company issued 550,000 at a price of $0.05 shares during the year ended October 31, 2017 and 500,000 shares at a price of $0.05 during the year ended October 31, 2018.

Subsequently, the Company issued another 150,000 shares at a price $0.05.

On June 26, 2018, the Company signed the definitive agreements and entered into a Sublicense Agreement and a Joint Services Agreement, both with Big Blue Technologies LLC of Colorado ("BBT"). BBT has recently signed an exclusive license with the University of Colorado respecting certain patents and processes owned by the University relating to producing magnesium, primarily using the chemistry known as carbothermal reduction which BBT developed together with the University (the "BBT Process"). Under the Sublicense Agreement, NCMI and BBT will jointly develop the BBT Process and NCMI will have an exclusive sublicense to utilize the BBT Process so long as it pays license fees and meets certain other conditions.

Under the Joint Services Agreement, BBT and its scientific team will assist the Company in further developing and commercializing the Company's own process of producing magnesium, which unlike the BBT Process, uses either a silicothermic process or a proprietary reductant (the "NCM Process"). In payment for BBT's services for the joint development of the NCM Process, the Company will pay BBT in stock, issuing up to 22,876,717 common shares to BBT as against valid accounts for services rendered at a deemed price of $0.05 per share. As of October 31, 2018, 64,914 shares were accrued for these services. On December 5, 2018, the Company terminated the sublicensing and services agreements with Big Blue Technologies.

On October 28, 2018, the Company signed an agreement with Industrial Surplus Supplies Ltd. ("ISS") located in Fort St. John, British Columbia, to build the newly designed continuous silico-thermic reduction furnace. ISS will be issued a total of 2,500,000 shares of the Company as compensation for the services rendered and expenses incurred in the construction of the furnace, at a price of $0.05 of which 1,250,000 shares will be issued at the time of completed procurement of materials and 1,250,000 at the time of total furnace construction with complete instrumentation. The agreement also allows for storage of not less than one year with compensation being the issuance of 1,500,000 shares of the Company, which have been recorded as an obligation to issue shares at October 31, 2017 with a fair value of $75,000 and issued on February 5, 2018. Subsequently, on November 13, 2018, ISS remuneration was increased to 8,000,000 shares of the Company at a price of $0.05.

On August 29, 2018, the Company signed a definitive agreement with The Stirling Group of Vancouver ("Stirling") for consulting services intended to position the Company for future expansion into production of magnesium metal. The terms of the contract are for 6 months and renewable with an initial payment of $25,000 USD followed by an additional $40,000 USD at the end of the fourth month after a successful money raise of up to $1,000,000 USD. Included in the term is a final money raise of $5,000,000 USD at the end of 6 months with a succession fee of 5% of the issued Class "B" shares (approx. 9,000,000 shares) as calculated on the date of signing the agreement. Both proposed financings under this agreement are also subject to a Finder's Fee of 8% in cash.

Convertible notes

On August 10, 2017, the Company closed a non-brokered private placement of an unsecured convertible note in the principal amount of $220,000. The note bears interest at 10% per annum and is due on the date that is one year following the closing date. The note is convertible into common shares of the Company at a price of $0.05 per share and any accrued but unpaid interest thereon convertible into shares at the price which is the greater of $0.05 and the market price on the date of the conversion notice. The Company has allocated $18,333 of the proceeds to the equity component of these convertible notes. On October 12, 2018, this convertible note and $25,797 of accrued interest was converted into 4,915,945 shares of the Company.

On October 31, 2017, the Company closed a non-brokered private placement of an unsecured convertible note in the principal amount of $200,000. The note bears interest at 7.5% per annum and is due on the date that is one year following the closing date. The note is convertible into common shares of the Company at a price of $0.05 per share and any accrued but unpaid interest thereon is convertible into shares at the price which is the greater of $0.05 and the market price on the date of the conversion notice. The Company has allocated $20,834 of the proceeds to the equity component of these convertible notes. On October 12, 2018, this convertible note and $14,260 of accrued interest was converted into 4,285,205 shares of the Company.

In fiscal 2018, the Company recorded $37,167 (2017 - $Nil) of accretion expense on these convertible debentures.

Capital Stock

As at October 31, 2018 and the date of this report, the Company had 200,832,658 and 215,773,814 common shares issued and outstanding, respectively.

On February 5, 2018, the Company issued 1,500,000 shares at a price of $0.05 for the services provided to the Company. An obligation to issue those shares with a fair value of $75,000 was recorded at October 31, 2017.

On May 7, 2018, the Company closed a non-brokered private placement for gross proceeds of $155,000 comprising 3,100,000 units at a price of $0.05. Each unit consists of one common share and one common share purchase warrant Each warrant is exercisable into one common share for a period of two years at a price of $0.07.

On October 4, 2018, the Company closed first tranche of a non-brokered private placement for gross proceeds of $410,000 comprising of 8,200,000 units at a price of $0.05. Each unit consists of one common share at a price of $0.05 and one common share purchase warrant exercisable into one common share for a period of two years at a price of $0.08. Finder's fees of $800 were paid and 16,000 broker's warrants exercisable for a period of two years at a price of $0.08 and fair valued at $440 were issued in connection with this private placement. An acceleration clause is included with the warrants such that the Company has the right, on thirty days' written notice, to require a holder to exercise the warrants so long as the closing trading price of the Company's common shares on the Company's principal trading market exceeds $0.10 per share for at least ten consecutive trading days at any time prior to the date of the Call Notice. The warrants will terminate on the date that is thirty days from the date of the call notice in the event that the holder has not exercised the warrants in accordance with the terms of the Call Notice by such date.

During the year ended October 31, 2018, 13,000 options were exercised for the proceeds of $650.

On October 12, 2018, the Company issued a total of 9,201,150 shares to settle two convertible notes with a face value $420,000 and $40,057 of interest incurred on those notes. Upon conversation, the equity component of $39,167 previously recorded in reserves was reclassified to share capital.

During the year ended October 31, 2018, the Company issued a total of 500,000 shares at a price of $0.05 per share to Lodestar for the services provided.

On November 30, 2018, the Company closed the second tranche of non-brokered private placement, originally announced on September 14, 2018, comprising of 7,699,760 units for gross proceeds of $384,988. Each unit consists of one common share at a price of $0.05 and one common share purchase warrant exercisable into one common share for a period of two years at a price of $0.08. An acceleration clause is included with the warrants such that the Company has the right, on thirty days' written notice, to require a holder to exercise the warrants so long as the closing trading price of the Company's common shares on the Company's principal trading market exceeds $0.10 per share for at least ten consecutive trading days at any time prior to the date of the Call Notice. The warrants will terminate on the date that is thirty days from the date of the call notice in the event that the holder has not exercised the warrants in accordance with the terms of the Call Notice by such date. The Company paid a finder's fees of $24,001 in cash and 145,960 shares in connection with the second tranche.

Subsequent to October 31, 2018, the Company issued a total of 150,000 shares to Lodestar for the services provided.

On December 10, 2018, the Company announced that it intends to raise up to $700,000 by way of a non-brokered private placement of units of the Company at a price of $0.05 per unit. The Offering is subject to TSX -V final acceptance. Each unit will consist of one common share and one warrant. Each warrant will be exercisable into one common share for a period of two years at a price of $0.08. An acceleration clause is included with the warrants such that the Company has the right, on thirty days' written notice, to require a holder to exercise the warrants so long as the closing trading price of the Company's common shares on the Company's principal trading market exceeds $0.10 per share for at least ten consecutive trading days at any time prior to the date of the Call Notice. The warrants will terminate on the date that is thirty days from the date of the call notice in the event that the holder has not exercised the warrants in accordance with the terms of the Call Notice by such date.

On January 23, 2019, The Company closed non-brokered private placement announced on December 10th, 2018 for gross proceeds of $317,421.75 comprised of 6,348,435 units at a price of $0.05. The Company paid finders fees totaling $7,295.39 in cash, 530,077 shares and 40,000 broker warrants under the same terms as the financing in connection to this closing.

Warrants

As at October 31, 2018 and the date of this report, the Company had outstanding share purchase warrants enabling the holder to purchase 27,471,086 and 40,189,281 common shares of the Company, respectively, with a weighted-average exercise price of $0.06 and $0.07 per share, respectively.

As at October 31, 2018, the following common share purchase warrants were outstanding:

Expiry date	Exercise price	WARC life (years)	October 31, 2017	Granted	Exercised	Expired/ Cancelled	October 31, 2018
December 29, 2017	$ 0.05	-	1,280,000	-	-	1,280,000	-
February 17, 2018	$ 0.05	-	2,190,000	-	-	2,190,000	-
May 7, 2018	$ 0.05	-	1,340,000	-	-	1,340,000	-
October 28, 2018	$ 0.05	-	1,000,000	-	-	1,000,000	-
September 20, 2018	$ 0.05	-	400,000	-	-	400,000	-
December 22, 2018*	$ 0.05	0.14	1,640,000	-	-	-	1,640,000
February 21, 2022	$ 0.05	3.31	2,005,200	-	-	-	2,005,200
March 27,2022	$ 0.05	3.41	4,205,000	-	-	-	4,205,000
May 9, 2022	$ 0.05	3.52	7,104,886	-	-	-	7,104,886
August 14, 2022	$ 0.05	3.79	1,470,000	-	-	-	1,470,000
May 2, 2020	$ 0.05	1.52	-	3,100,000	-	-	3,100,000
October 4, 2020	$ 0.08	1.93	-	8,216,000	-	-	8,216,000
TOTAL			**22,635,086**	**11,316,000**	**-**	**6,210,000**	**27,741,086**
Weighted average price			**$ 0.05**	**$ 0.08**	**$ -**	**$ 0.05**	**$ 0.06**

Subsequently, 1,640,000 warrants at a price of $0.05 expired and a total of 14,088,195 warrants were issued on the closing of November 30, 2018 and January 23, 2019 financings.

Stock Options

As at October 31, 2018 and the date of this report, the Company had outstanding stock options enabling the holder to purchase 22,747,000 and 26,647,000, respectively, common shares of the Company. Subsequent to the year end, 5,700,000 options at a price of $0.11 expired and 9,600,000 at a price of $0.05 granted to the directors, officers and consultants of the Company.

As at October 31, 2018, the following options were outstanding:

Expiry date	Exercise Price $	WARC Life (years)	Number of options October 31, 2017	Granted	Exercised	Expired/ Cancelled	Number of options October 31, 2018
August 12, 2023	0.05	5.04	4,010,000	-	-	-	4,010,000
January 9, 2019*	0.11	0.44	5,700,000	-	-		5,700,000
May 9, 2019	0.08	0.77	400,000	-	-	-	400,000
May 29, 2019	0.08	0.83	1,100,000	-	-	(300,000)	800,000
June 3, 2020	0.05	1.84	2,250,000	-	-	-	2,250,000
February 11, 2021	0.05	2.54	1,600,000	-	-	-	1,600,000
August 16, 2021	0.05	3.04	2,000,000	-	-	-	2,000,000
March 27, 2022	0.05	3.66	3,500,000	-	-	(13,000)	3,487,000
May 1, 2022	0.05	3.75	1,100,000	-	-	-	1,100,000
May 24, 2019	0.05	0.81	300,000	-	-	-	300,000
April 19, 2023	0.05	4.72	-	1,100,000	-	-	1,100,000
TOTAL			**21,960,000**	**1,100,000**	**-**	**(313,000)**	**22,747,000**
Weighted average price			**$ 0.07**	**$ 0.05**	**$ -**	**$ 0.08**	**$ 0.07**

*Subsequently, these options expired.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTY TRANSACTIONS

Key management compensation

Key management personnel comprise the President, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Vice President of Corporate Development and Directors of the Company. The remuneration of the key management personnel for the year ended October 31, 2018 and 2017 was as follows:

During the year ended October 31, 2018, the Company incurred salaries, management and consulting fees totaling $412,586 (2017 - $257,526) to the officers and the companies owned by the officers of the Company.

During the year ended October 31, 2018, the Company recorded share-based payments of $68,605 (2017 – $113,231) for options granted to directors and officers of the Company.

	Short-term employee benefits	Share-based payments	Total
Year ended October 31, 2018			
Directors and officers	$ 412,586	$ 75,123	$ 487,709
Year ended October 31, 2017			
Directors and officers	$ 257,526	$ 113,231	$ 370,757

As at October 31, 2018, the balance owing to related parties is $795,711 (2017 - $723,820).

The balances referred to above are non-interest bearing, unsecured, receivable or payable on demand with no specific terms for repayment and have arisen from the provision of services and expense reimbursements or advances described.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make estimates and assumptions 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 condensed consolidated interim 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 the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

- Determination of functional currency;
- Asset carrying values and impairment charges;
- Impairment of exploration and evaluation assets;
- Capitalization of exploration and evaluation assets;
- Mineral reserve estimates;
- Estimation of decommissioning and restoration costs and the timing of expenditure;
- Income taxes and recoverability of potential deferred tax assets; and
- Share based payments.

NEW ACCOUNTING STANDARDS

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our Consolidated Financial Statements for the year ended October 31, 2018.

CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of precious metal properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of management to sustain future development of the business.

The properties to which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund on-going activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties where sufficient geologic or economic potential are noted and if financial resources exist to do so.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period. Neither the Company nor its subsidiary is subject to externally imposed capital requirements.

Details of the Company's financial instruments, management's assessment of their related risks and details of management of those risks are asfollows:

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, GST receivable, marketable securities, reclamation bond, accounts payable and accrued liabilities, and payable to related parties.

The Company maintains cash deposits with financial institutions, which, from time to time, may exceed federally insured limits. The Company has not experienced any losses and believes it is not exposed to any significant credit risk from cash.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The Company does not have any asset backed commercial paper.

Credit risk

The Company's main exposure to credit risk relates to its cash. Cash balances are held in Canadian and US chartered banks. The Company determined that is has limited exposure to credit risk related to receivables since these amounts are not material.

Liquidity risk

The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to settle obligations and liabilities when due. As at October 31, 2018, the Company had cash of $239,807 to settle current liabilities of $1,102,326 which fall due for payment within twelve months of the statement of financial position date. The Company's cash is invested in business accounts which are available on demand. Management has determined that the Company will require additional financing to meet its obligations during fiscal 2018, and is actively engaged in raising funds via a private placement of units and convertible notes.

Market risk

The market risk exposure to which the Company is exposed is interest rate risk. The Company's bank account earns interest income at variable rates. The Company's future interest income is exposed to short-term rate fluctuations. This is not a significant risk to theCompany.

Foreign exchange risk

The Company's exposure to fluctuations in foreign exchange rates is limited.

OTHER RISK FACTORS

The Company is engaged in the exploration and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities and properties, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company's property interests are located in undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power may need to be generated on site.

The mineral industry is intensely competitive in all its phases. The Company competes with many other mineral exploration companies who have greater financial resources and technical capacity. The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

The Company's exploration and development activities require permits and approvals from various government authorities, and are subject to extensive federal, state and local laws and regulations governing prospecting development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become more costly. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that the Company will be able to maintain or obtain all necessary permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

The Company's activities are subject to extensive federal, state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

The acquisition of title to resource properties is a very detailed and time-consuming process. The Company holds its interest in certain of its properties through mining claims and concessions. Title to, and the area of, the mining claims may be disputed. There is no guarantee that such title will not be challenged or impaired. There may be challenges to the title of the properties in which the Company may have an interest, which, if successful, could result in the loss or reduction of the Company's interest in the properties.

The market price of securities of many companies, particularly exploration and development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur.

A number of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting such participation. Further, certain of the directors are involved in other exploration companies and other companies that are developing mines. As a result, conflicts of interest may arise and directors cannot devote 100% of their time to the Company.

The Company has invested resources to document and analyze its system of internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. In contrast to the certificate under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

ADDITIONAL INFORMATION

Additional information about the Company is available at the website of the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

APPROVAL

The board of directors has approved the disclosure contained in this MD&A.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy, exploration plans, and environmental protection requirements. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company to be materially different from those expressed or implied by such forward-looking information. These risks and uncertainties include risk and uncertainties associated with the mining industry and the exploration and development of mineral projects, such as the uncertainty of exploration results, the volatility of commodity prices, potential changes in government regulation, the uncertainty of potential title claims against the Company's projects, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally, such as international political or economic developments, changes in interest rates and the condition of financial markets, and changes in exchange rates.

Forward-looking information is based on assumptions and expectations which the Company considers are reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. Nevada Clean Magnesium Inc. does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

MANAGEMENT

The following comprise key management and directors:

Edward Lee – Executive Chairman, Director
Sam Ataya – Chief Executive Officer, Director
Barrie Fraser – President, Chief Operating Officer, Director
Dennis Mee - Chief Financial Officer, Director
Lisa Maxwell – VP Corporate Affairs/Corporate Secretary
Frank Halliday – Director of Socioeconomic and Environmental Permitting, Director
John Ulmer – Investor Relations
James Sever – Independent Director
Steve Thorlakson – Independent Director
Jeff Wilson – Independent Director
Robert Brown – Independent Director
Michael Pickholz – Independent Director