

CRYSTAL PEAK MINERALS INC.

MANAGEMENT DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2018

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This Management Discussion and Analysis (MD&A) of Crystal Peak Minerals Inc. together with its subsidiary (collectively CPM or the Company), is dated May 17, 2018 and provides an analysis of the Company's performance and financial condition for the three months ended March 31, 2018. CPM is listed on the TSX Venture Exchange and its common shares trade under the symbol CPM. The Company's common shares also trade on the OTCQX International under the ticker symbol CPMMF.

This MD&A should be read in conjunction with the Company's unaudited interim consolidated financial statements (the Financial Statements) for the three months ended March 31, 2018 and March 31, 2017, including the related note disclosures.

The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS). The Financial Statements have been prepared under the historical cost convention, except in the case of fair values of certain items, and unless specifically indicated otherwise, are presented in United States dollars. 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.

Qualified Persons

Each of the qualified persons shown below has reviewed and approved the scientific and technical disclosures contained in their respective report sections, and is independent of the Company. Qualified persons have reviewed or verified all data including sampling, analytical, and test results underlying the information or opinions contained herein.

The qualified persons are:

- Mr. J. Brebner P. Eng., QP, (Novopro) is the qualified person responsible for the infrastructure, market studies and contracts, capital cost, environmental studies, permitting, social/community impact, and the overall preparation of the report.
- Mr. A. Lefaiivre P. Eng., QP, (Novopro) is the qualified person responsible for the mineral processing and metallurgical testing and recovery methods.
- Mr. D. Bairos P. Eng., QP, (Novopro) is the qualified person responsible for the capital cost and operating cost estimates, and risk analysis portions of the report.
- Mr. C. Laxer P. Eng., QP, (Novopro) is the qualified person responsible for the economic analysis portions of the report.
- Mr. L. Henschel, P. Geo., (Norwest) is the qualified person responsible for the history, geology, exploration, drilling, sample preparation, analyses and security, data verification, and mineral resource estimate portions of the report.
- Mr. R. Reinke, P. Geo., (Norwest) is the qualified person responsible for the mineral reserve estimate, groundwater modelling, and mining methods portion of the report.

The content of this MD&A has been read and approved by Dean Pekeski, P. Geo, Vice President- Project Development of the Company, a Qualified Person as defined by NI 43-101.

Cautionary Statement Regarding Forward-Looking Information

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements related to activities, events or developments that the Company expects or anticipates will or may occur in the future, including, without limitation: statements related to the release of a feasibility study; the economic analysis of the Sevier Playa Project in southwestern Utah (the "Sevier Playa Project"); mineral reserve and resource estimates; the permitting process; environmental assessments; business strategy; objectives and goals; and development of the Sevier Playa Project. Forward-looking statements are provided to allow readers the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating the Company.

Forward-looking information is often identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate", or "belief", or describes a "goal", or variation of such words and phrases or states that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information is based on a number of factors and assumptions made by management and considered reasonable at the time such information is provided. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements to be materially different from those expressed or implied by the forward-looking information.

This MD&A contains information taken from a technical report titled "NI 43-101 Technical Report Preliminary Feasibility Study of the Sevier Lake Playa Sulphate of Potash Project Millard County, Utah", filed on November 18, 2013 and dated effective October 25, 2013 (the "PFS"), as well as a technical report titled "NI 43-101 Technical Report Feasibility Study of the Sevier Lake Playa Sulphate of Potash Project Millard County, Utah" filed on February 21, 2018 and dated effective January 11, 2018 (the "FS"). Both the PFS and FS are preliminary in nature and should be considered speculative. They are based upon process flow sheets that may change, which would impact all costs and estimates. Operating costs for the Sevier Playa Project were based upon assumptions including future energy costs, natural gas costs, water costs, labor, and other variables that are likely to change. Capital costs were based upon a list of equipment thought to be necessary for production and are likely to change. Sulfate of potash ("SOP") price forecasts were based upon third-party estimates and management assumptions that may change due to market dynamics. The mineral reserve and resource estimates were based upon assumptions outlined in the "Brine Resource" section of the FS. Some figures were calculated using a factor to convert short tons to metric tonnes. Changes in estimated costs to acquire, construct, install, or operate the equipment, or changes in projected pricing, may adversely impact project economics.

Among other factors, the Company's inability to obtain sufficient playa recharge; the inability to anticipate changes in brine volume or grade due to recharge or other factors; changes to the economic analysis; the failure to obtain necessary permits to develop the Sevier Playa Project; environmental issues or delays; the inability to successfully complete additional drilling and other field testing at the Sevier Playa Project; the inability to secure project financing; factors disclosed in the Company's current MD&A; and information contained in other public disclosure documents available on SEDAR at www.sedar.com, may adversely impact the Sevier Playa Project. Although CPM has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in the forward-looking information, there may be other factors that cause actions, events, or results not to be as anticipated, estimated, or intended. There can be no assurance that forward-looking information will prove to be accurate. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's plans, objectives, and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. CPM does not undertake to update forward-looking information, except in accordance with applicable securities laws.

OVERALL PERFORMANCE

Principal Business and Corporate History

On May 26, 2011, EPM Mining Ventures Inc. (EPM), 44907 Yukon Inc. (44907 Yukon) a wholly-owned subsidiary of EPM incorporated to effect a business amalgamation), and 44170 Yukon Inc. (44170 Yukon), completed a triangular amalgamation (the Amalgamation) whereby investors exchanged their 44170 Yukon voting and non-voting common shares for voting and non-voting common shares of EPM on a one-for-one basis. Pursuant to the terms of the Amalgamation, 44170 Yukon and 44907 Yukon amalgamated to form Peak Minerals Canada Limited (Peak Minerals Canada). Peak Minerals Canada became a wholly owned subsidiary of EPM. The Amalgamation was accounted for as a purchase of net assets and assumption of liabilities of 44170 Yukon. On June 25, 2015, the Company changed its name from EPM Mining Ventures Inc. to Crystal Peak Minerals Inc.

Pursuant to the Amalgamation, which resulted in the Company's acquisition of a significant mineral property, the Company operates as an exploration stage entity focused on the development, construction and operation of a large-scale SOP project on the Sevier Playa in southwestern Utah. The Company is currently engaged in engineering, permitting, and financing activities on the Sevier Playa Project.

Effective October 1, 2017, the Company completed an amalgamation (the Peak Minerals Canada Amalgamation) of its wholly-owned subsidiary Peak Minerals Canada to reduce internal administration costs and financial reporting costs. Peak Minerals Canada did not have any outstanding liabilities or obligations at the time of the Peak Minerals Canada Amalgamation and it will not have any significant effect on the business and operations of the Company.

As a result of the Peak Minerals Canada Amalgamation, Peak Minerals Inc., which was previously a wholly-owned subsidiary of Peak Minerals Canada, became a direct, wholly-owned subsidiary of the Company.

Sevier Playa Project Overview

CPM, through its wholly-owned subsidiary, Peak Minerals Inc. (Peak Minerals), has direct control over mineral leases on approximately 95,800 acres of land leased from the Bureau of Land Management (BLM); agreements on about 6,400 acres of Utah School and Institutional Trust Land Administration (SITLA) lands leased to Emerald Peak Minerals, LLC (Emerald Peak); and agreements that provide for the development and operational control, subject to approval of final unitization agreements, on about 22,000 acres of BLM land leased to LUMA Minerals, LLC (LUMA). The combined total of these leases constitutes the approximate 124,200-acre land package for the Sevier Playa Project.

The Sevier Playa has been explored intermittently by various entities over the last several decades. Consequently, it is considered a likely source of SOP, as well as bitterns such as magnesium chloride (MgCl₂) and magnesium sulfate (MgSO₄); halite (NaCl); salt cake (Na₂SO₄); and possibly other ancillary minerals, such as bromine (Br), all derived from the harvesting and processing of salts precipitated from brines found in the Sevier Playa sediments.

Commencing in August 2011, the Company began its own drilling and exploration program on the Sevier Playa to confirm the existence and extent of potash-containing brines in accordance with NI 43-101 standards. CH2M HILL provided overall engineering support and Norwest handled well-site logging, sampling, and analytical assistance. The drilling program produced brine samples for independent chemical assay and analysis as well as materials necessary to define the stratigraphy of the sediments in the Sevier

Playa and included geotechnical studies, hydrological work, geological interpretations, core logging, and other studies.

On May 31, 2012, the results of the drilling program were filed in a NI 43-101 technical report entitled "Technical Report, Mineral Brine Resources of Sevier Lake Playa, Millard County, Utah" (the "Resource Report").

In conjunction with the PFS, the Company undertook an expansion of the drilling program, during February and March 2013, with additional hydrology drilling around the perimeter of the Sevier Playa as well as an expansion of the exploration drilling into the LUMA lease area and other areas throughout the playa. The Company completed the PFS in late 2013 and published the results of the PFS on November 18, 2013.

Feasibility Study

Upon receipt of funding from EMR Capital Resources Fund 1, LP ("EMR") on May 29, 2015, work began to complete the FS, the results of which were published on February 21, 2018.

The FS includes significant changes implemented by Novopro in the coupling of the solar evaporation ponds and the process plant, resulting in a major increase in the utilization of natural evaporation and the elimination of an energy-intensive forced evaporation circuit. Improvements to the processing circuit were also introduced that transformed waste sulfate into SOP through the addition of muriate of potash (MOP) resulting in a significant contribution to plant output and positively impacting project economics. The FS forecasts average annual SOP production over the 30-year life of the Project of approximately 298,000 metric tonnes (t). Other key project metrics are represented in the table below.

Economic Indicators	
NPV (pretax, 8%)	\$ 900 M
NPV (after tax, 8%)	\$ 730 M
IRR (pretax)	23%
IRR (after tax)	21%
Mine Life	30 years
Initial Direct Capital Costs	\$ 288 M
Initial Indirect Capital Costs	\$ 70 M
Contingency (@P50)	\$ 32 M
Risk (@P50)	\$8 M
Inflation	\$14 M
Total Capital Costs	\$412 M
Deferred Capital Costs	\$9 M
Sustaining Capital Costs (LoM)	\$248 M
Average Operating Cost (over LoM)	\$222/t
SOP Price @ Rail Loadout Facility	\$630/t
Production Royalties (% of gross revenues)	5.61%
After- tax Payback Period (from initial production)	4.5 years
Proven & Probable K ₂ SO ₄ Produced Reserves	6.171 Mt

The economic analysis in the FS is based upon the following assumptions:

- 100% Equity
- Construction beginning 2019 and completed 2022
- SOP production ramp-up over three years, from first production of 27,500 t in 2022 to full capacity of at least 337,500 t in 2025
- Effective tax rate of approximately 15.6%, which includes changes related to the Tax Cuts and Jobs Act
- Annual production royalties estimated at 5.61% of gross revenue, less allowable reagent costs
- Post-performance tax credit from the State of Utah of approximately \$112.5 million

Reserve Estimate

Mineral reserve and resource estimates demonstrated by the FS work program are as shown in Tables 1, 2, and 3 below. Column totals may not be exact as a result of rounding.

Table 1: Available Potassium and K₂SO₄ Reserves

Aquifer	Proven		Probable		Total	
	K ⁺	Equivalent K ₂ SO ₄ ¹	K ⁺	Equivalent K ₂ SO ₄ ¹	K ⁺	Equivalent K ₂ SO ₄ ¹
	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000
Fat Clay	0	0	302	673	302	673
Marl Clay	431	961	1,870	4,168	2,301	5,129
Siliceous Clay	39	88	827	1,844	866	1,932
Total	471	1,049	3,000	6,685	3,471	7,734

¹ K⁺ to K₂SO₄ production based on ratio of 2.2285 (rounded) based on atomic weights. Any variances in the table are due to rounding.

Table 2: Available and Produced Reserves of K₂SO₄

Category	Proven	Probable	Total
	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000
Available Reserves	1,049	6,685	7,734
Produced Reserves ¹	837	5,334	6,171

¹ Produced reserves include losses due to evaporation pond and processing factors and are based on overall recovery factor of 79.79%.

Table 3: Remaining In-Place Potassium and K₂SO₄ Resource

Aquifer	Measured Plus Indicated		Inferred		Total	
	K ⁺	Equivalent K ₂ SO ₄ ¹	K ⁺	Equivalent K ₂ SO ₄ ¹	K ⁺	Equivalent K ₂ SO ₄ ¹
	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000	Metric Tonnes '000
Fat Clay	2,682	5,977	142	317	2,824	6,294
Marl Clay	1,483	3,306	218	485	1,701	3,791
Siliceous Clay	7,870	17,538	377	840	8,247	18,378
Total	12,036	26,821	737	1,642	12,773	28,463

¹ K⁺ to K₂SO₄ production based on ratio of 2.2285 (rounded) based on atomic weights.

The full FS technical document can be found on SEDAR (www.sedar.com) as well as on the Company's website (www.crystalpeakminerals.com).

Permitting

In addition to the Company's engineering activities, its permitting efforts continue as follows:

Mining Plan ó The draft BLM Mining Plan, (öMining Planö) was updated with the FS information in October 2017. This plan can be used as the basis for the Environmental Impact Statement (öEISö) analysis. The Mining Plan is a working document and will require revisions before it is considered complete by BLM. The Mining Plan will be updated to incorporate Utah Division of Oil, Gas, and Mining (öDOGMö) large mine permit requirements to create a combined mine plan.

BLM Plan of Development ("POD") ó Preliminary POD reports were submitted to the BLM in September 2013 for the off-playa right-of-way elements. The draft POD reports were combined into one draft POD document and resubmitted to BLM in July 2015. The draft POD was updated with FS information in October 2017. The draft POD report is a working document and will require revisions before it is considered complete by BLM.

EIS ó An EIS public scoping open house was held in Delta, Utah on August 5, 2015. The purpose of the public scoping process was to determine relevant issues that will influence the scope of the environmental analysis, including alternatives, and guide the process for developing the EIS. The open house gave local residents and the public the opportunity to learn about the project, ask questions and submit comments on the project. The public scoping period ended September 5, 2015 with minimal public comment. The draft EIS (DEIS) will be updated with the FS information in 2018. Once the DEIS is completed there is another opportunity for the public to provide comments. Upon satisfactory resolution of any public comments, the Final EIS (FEIS) document will be published and BLM will issue a Record of Decision (ROD), indicating approval of the FEIS.

Air Permit ó The minor source permit application was approved by the Utah Division of Air Quality (öUDAQö) on May 9, 2014 to allow construction of on-playa structures such as ponds and trenches. In 2016, UDAQ required that the minor source permit be updated and resubmitted for approval, due to updates to regulations and lapse in time from approval and when the on-playa construction is scheduled to begin. A minor source permit application was not submitted in 2016. In 2017, the Company presented the updated Mining Plan to UDAQ. Due to the changes to the Mining Plan, UDAQ requires that a new minor source permit application be submitted for construction and operations activities. The new minor source permit application is expected to be filed in third quarter 2018. A major source permit is no longer required for the project.

Interest in Mineral Property

The costs associated with the Company's interest in the Sevier Playa Project mineral property balance consist of:

	Acquisition costs	Planning and design	Field operations and expenses	Legal costs and environmental obligations	Technical reports and permitting activities	Total
As at January 1, 2017						
Cost	\$ 23,324,278	\$ 658,801	\$ 11,113,317	\$ 1,298,783	\$ 17,421,168	\$ 53,816,347
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	23,324,278	658,801	11,113,317	1,298,783	17,421,168	53,816,347
Three months ended						
March 31, 2017						
Opening net book amount	23,324,278	658,801	11,113,317	1,298,783	17,421,168	53,816,347
Additions	-	-	191,112	39,087	1,731,731	1,961,930
Exchange differences	2,319	-	-	-	-	2,319
Closing net book amount	23,326,597	658,801	11,304,429	1,337,870	19,152,899	55,780,596
As at March 31, 2017						
Cost	23,326,597	658,801	11,304,429	1,337,870	19,152,899	55,780,596
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	\$ 23,326,597	\$ 658,801	\$ 11,304,429	\$ 1,337,870	\$ 19,152,899	\$ 55,780,596
As at January 1, 2018						
Cost	\$ 23,651,147	\$ 660,914	\$ 11,951,626	\$ 1,390,833	\$ 24,474,528	\$ 62,129,048
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	23,651,147	660,914	11,951,626	1,390,833	24,474,528	62,129,048
Three months ended						
March 31, 2018						
Opening net book amount	23,651,147	660,914	11,951,626	1,390,833	24,474,528	62,129,048
Additions	-	-	129,763	40,481	1,403,440	1,573,684
Closing net book amount	23,651,147	660,914	12,081,389	1,431,314	25,877,968	63,702,732
As at March 31, 2018						
Cost	23,651,147	660,914	12,081,389	1,431,314	25,877,968	63,702,732
Accumulated amortization and impairment	-	-	-	-	-	-
Net book amount	\$ 23,651,147	\$ 660,914	\$ 12,081,389	\$ 1,431,314	\$ 25,877,968	\$ 63,702,732

SELECTED QUARTERLY INFORMATION

The following tables set out financial performance highlights for the previous twelve quarters.

Quarter ended	Revenues	Expenses	Other Items	Net loss total	Net loss per share	Working Capital	Non-Current Assets
March 31, 2018	\$ -	\$ (2,674,747)	\$ (504,071)	\$ (3,178,818)	\$ (0.02)	\$ (8,099,369)	\$ 69,991,079
December 31, 2017	-	(1,129,592)	(518,019)	(1,647,611)	nil	(6,470,437)	68,374,068
September 30, 2017	-	(642,682)	(305,104)	(947,786)	nil	8,552,252	76,291,577
June 30, 2017	-	(594,780)	(86,987)	(681,767)	nil	12,348,485	63,365,906
March 31, 2017	-	(386,273)	(88,505)	(474,778)	nil	2,258,214	62,041,461
December 31, 2016	-	(590,815)	12,676	(578,139)	nil	4,570,753	60,080,017
September 30, 2016	-	(435,284)	(103,609)	(538,893)	nil	7,876,543	57,258,221
June 30, 2016	-	(447,386)	55,109	(392,277)	nil	10,689,020	54,852,330
March 31, 2016	-	(408,375)	71,169	(337,206)	nil	(3,346,285)	54,351,792
December 31, 2015	-	(477,261)	(264,606)	(741,867)	(0.02)	(1,712,158)	53,176,018
September 30, 2015	-	(395,072)	(399,163)	(794,235)	nil	1,333,257	50,687,755
June 30, 2015	-	(412,186)	(215,082)	(627,268)	nil	3,661,929	48,860,450

Working capital generally consists of cash, net of accounts payable and other current liabilities, while non-current assets are primarily made up of the Company's investment in the Sevier Playa Project and the Company's investment in Emerald Peak. The major variances in working capital and non-current assets are mainly attributable to equity placements and the funding of the Company's exploration and evaluation activities on the Sevier Playa Project, as well as administrative expenses. Other items are generally related to financing expenses. As the Company is in the exploration stage, it does not generate operating revenue.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2018

During the three months ended March 31, 2018, the Company's total operating expenses were \$2,674,747 compared to \$386,273 for the three months ended March 31, 2017, an increase of \$2,288,474. A categorical breakdown of the significant components and changes has been provided below.

General and Administrative Expenses

General and administrative expenses during the three months ended March 31, 2018 were \$541,276 compared to \$238,054 for the three months ended March 31, 2017, an increase of \$303,222. The primary components of the Company's general and administrative expenses are as follows:

- *Salaries and benefits* for the three months ended March 31, 2018 were \$489,236, compared to \$189,716 for the three months ended March 31, 2017, an increase of \$299,520 resulting primarily from new staff and separation payments due to parting employees. Salaries and benefits is comprised of salaries, employee benefits, severance, accrued bonuses, accrued vacation, payroll taxes, and insurance. During the three months ended March 31, 2018, the Company also capitalized project-related salaries and benefits of \$88,108, compared to \$97,469 for the three months ended March 31, 2017, a decrease of \$9,361.
- *Office-related expenses and rent* for the three months ended March 31, 2018 were \$29,728, compared to \$27,887 for the three months ended March 31, 2017, an increase of \$1,841.

- *Other expenses* for the three months ended March 31, 2018 were \$22,312, compared to \$20,451 for the three months ended March 31, 2017, an increase of \$1,861.

Depreciation

The Company recognized depreciation expense of \$1,346 for the three months ended March 31, 2018, compared to \$1,103 for the three months ended March 31, 2017. During the three months ended March 31, 2018, the Company also capitalized depreciation expense of \$1,465 for project-related vehicles and equipment, compared to \$1,761 for the three months ended March 31, 2017.

Investor Relations Expenses

Investor relations expenses during the three months ended March 31, 2018 were \$67,988, compared to \$70,528 for the three months ended March 31, 2017, a decrease of \$2,540.

Professional Fees

Professional fees, which primarily include legal, accounting, lobbying, marketing, and business development expenses, were \$267,263 during the three months ended March 31, 2018, compared to \$60,855 for the three months ended March 31, 2017, an increase of \$206,408. This increase was primarily due to an increased marketing and business development effort, additional legal fees associated with the publication of the feasibility study, and executive recruiting fees.

Restricted Share Unit Compensation

Restricted share unit compensation for the three months ended March 31, 2018 was \$1,792,896, compared to \$nil for the three months ended March 31, 2017. This increase was related to the adoption of a Restricted Share Unit Plan (RSU Plan) in June of 2017 and subsequent RSU grants to employees and directors of the Company.

Share-based Compensation

Share-based compensation expense during the three months ended March 31, 2018 was \$3,978, compared to \$15,733 for the three months ended March 31, 2017, a decrease of \$11,755 resulting from the exercise and expiration of share options.

During the three months ended March 31, 2018, the Company capitalized project-related share-based compensation of \$11,468, compared to \$5,646 for the three months ended March 31, 2017.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

Operating Activities

During the three months ended March 31, 2018, the Company's cash used in operating activities was \$795,805 compared to \$92,900 for the three months ended March 31, 2017, an increase in cash outflows of \$702,905. The increase was primarily related to the Company's net loss for the year, the change in fair value of the derivative liability, finance expenses, and the timing of trade accounts payable and receivable.

Investing Activities

During the three months ended March 31, 2018, the Company's cash used in investing activities was \$1,385,990, compared to \$2,086,363 for the three months ended March 31, 2017, a decrease in cash outflows of \$700,373. The decrease in cash used in investing activities was primarily a result of decreased spending on the Company's Sevier Playa Project as the Company completed the FS engineering, and related work. The Company invested \$1,383,952 in its Sevier Playa Project during the three months ended March 31, 2018, compared to \$2,086,363 the three months ended March 31, 2017.

Financing Activities

During the three months ended March 31, 2018, the Company's cash provided by financing activities was \$263,718, compared to \$nil for the three months ended March 31, 2017. This was related to proceeds from the exercise of share options by certain employees. In January 2018, 823,816 share options were exercised at a price C\$0.40 per share for gross proceeds of \$263,718 (C\$329,526).

Liquidity

At March 31, 2018, the Company had working capital of (\$8,099,369), compared to (6,470,512) at December 31, 2017, with cash of \$4,841,621 as at March 31, 2018, compared to \$6,759,699 as at December 31, 2017.

The Company intends to use its cash for funding its fieldwork, engineering, project permitting activities, corporate operations, and ongoing fundraising.

The Company's future is dependent upon its ability to obtain sufficient cash from external financing and related parties in order to fund its ongoing operations, permitting and technical work, and ultimate project development and construction. The Company's ability to raise such financing in the future will depend on the prevailing market conditions, as well as the Company's business performance. There are material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern given its history of losses, accumulated deficit, limited operating history in the fertilizer sector, and dependence upon future financing. As there can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company, there is substantial doubt about the Company's ability to continue as a going concern. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities to develop this project or any new projects, or to otherwise respond to competitive pressures. See "Risk Factors."

Outstanding Share Data

As at March 31, 2018, the Company's fully diluted share capital is as follows:

	Number of shares
Voting and non-voting common shares outstanding as at March 31, 2018	203,573,995
Restricted share units (average remaining life of 9.72 years)	8,883,314
Share purchase warrants (weighted average exercise price of C\$0.36 and average remaining life of 1.09 years).	750,000
Share purchase options (weighted average exercise price of C\$0.43 and average remaining life of 3.44 years).	4,925,000
Total common shares outstanding, assuming exercise of all share purchase warrants and share purchase options - as at March 31, 2018	218,132,309

As at May 17 2018, the Company's fully diluted share capital is as follows:

	Number of shares
Voting and non-voting common shares outstanding as at May 17, 2018	207,273,995
Restricted share units (average remaining life of 9.59 years)	5,183,314
Share purchase warrants (weighted average exercise price of C\$0.36 and average remaining life of .96 years).	750,000
Share purchase options (weighted average exercise price of C\$0.43 and average remaining life of 3.25 years).	5,175,000
Total common shares outstanding, assuming exercise of all restricted share units, share purchase warrants and share purchase options - as at May 17, 2018	218,382,309

Details of share capital can be found in Note 6 to the Financial Statements.

OTHER INFORMATION

Significant Accounting Policies

As described in Note 2 to the Financial Statements, the Financial Statements were prepared in accordance with IFRS, as issued by the International Accounting Standards Board (IASB). The Company did not adopt any new or revised accounting standards during the three months ended March 31, 2018.

The future accounting standards and pronouncements currently under consideration by the Company are disclosed in Note 2 to the Financial Statements.

The Company's critical accounting estimates and judgments are described in Note 3 to the Financial Statements.

Off Balance Sheet Transactions

The Company has not entered into any off-balance-sheet arrangements.

Proposed Transactions

There are no proposed transactions at this time.

Investment in Associate

In connection with the May 26, 2011 Amalgamation, the Company acquired the net assets and liabilities of a private company, which assets included an investment in Emerald Peak, a related party. The investment was recorded using the equity method and represented a 40% interest in Emerald Peak. For the three months ended March 31, 2018 and March 31, 2017, the Company's share of net income was \$nil.

Related Party Transactions

The Company's related party transactions are disclosed in Note 10 to the Financial Statements and include:

- the Company's investment in Emerald Peak; and
- compensation paid or payable to the Company's senior officers and directors.

Commitments and Contingencies

The Company's commitments and contingencies are disclosed in Note 11 to the Financial Statements and include details concerning:

- the Company's commitments under its agreement with LUMA; and
- the Company's office lease commitments.

Risks and Uncertainties

The Company's risk factors and uncertainties have not materially changed since December 31, 2017 and are described in its annual management discussion and analysis for the year ended December 31, 2017 as filed by the Company on SEDAR.

SUBSEQUENT EVENTS

Restricted Share Units and Share Options

Restricted Share Units

On April 30, 2018, 3,700,000 common shares were released to a former employee and officer of the Company.

Share Option Grant

Effective May 02, 2018, the Company granted 250,000 options to purchase common shares to a director.