Rupert Resources Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS

TWELVE MONTHS ENDED FEBRUARY 28, 2019

6497.2

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Background

This Management's Discussion and Analysis ("**MD&A**") of the financial position and results of operations is prepared as at June 27, 2019 and should be read in conjunction with the Consolidated Financial Statements of Rupert Resources Ltd (the "**Company**" or "**Rupert**") as at February 28, 2019, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and International Accounting Standards and covering the 12 months ended February 28 2019 ("**2018/19**").

Unless otherwise noted, all currency figures in the MD&A are presented in Canadian Dollars.

Rupert is a publicly listed company, the ordinary shares (the "**Ordinary Shares**") of which have been listed since prior to February 28, 1998 on the TSX Venture Exchange ("**TSX-V**") under the symbol "RUP".

This MD&A contains forward-looking information, such as statements regarding the Company's future plans and objectives that are subject to various risks and uncertainties, and those set forth in "*Statement Regarding Forward-Looking Information*" and "*Risks and Uncertainties*" in this document. The Company cannot assure investors that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. The results for the periods presented are not necessarily indicative of the results that may be expected for any future periods. Investors are cautioned not to place undue reliance on this forward-looking information.

Technical Information

The technical information about the Company's mineral properties contained in this MD&A, other than information summarized or extracted from the Technical Reports (as defined below), has been prepared under the supervision of Mike Sutton, PGeo, a non-executive Director of the Company and who is a "qualified person" within the meaning of NI 43-101. Mr. Sutton has reviewed the contents of this MD&A and has consented to the inclusion in this MD&A of all technical statements, other than information summarized or extracted from the Technical Report, in the form and context in which they appear and confirms that such information fairly represents the underlying data and study results.

Company Overview and Discussion of Operations

Company Overview

Rupert is a company incorporated under the laws of the Province of British Columbia. The Company is currently seeking out viable mineral exploration and evaluation opportunities and has three projects located in Finland and two projects located in Ontario and British Columbia respectively.

As at February 28, 2019, an investor of the Company, Alan Brimacombe, controlled 19,860,900 common shares of the Company or approximately 16% of the total common shares outstanding. To the knowledge of directors and officers of Rupert, the remainder of the Company's outstanding common shares are widely held. These holdings can change at any time at the discretion of the owner.

The Company's interests in Finland represent its core focus and comprise the following:

Pahtavaara

Pahtavaara is comprised of a package of mining licences, exploration licences, claims and reservations for exploration totalling an area of 297.5 km² (and held by wholly owned subsidiaries of the Company. They are located in northern Finland and include the Pahtavaara gold mine and mill (together: "**Pahtavaara**" or "**Pahtavaara Mine**" or "**Pahtavaara Project**"). None are situated on the Natura 2000 reservations. Pahtavaara is located in the Central Lapland Greenstone Belt in Northern Finland ("**CLGB**"). The Company also holds the Hirvilavanmaa Project, located 50 kilometres to the north of Pahtavaara. The existing mining concession was renewed in June 2019 for a period of 5 years . Exploration licences are valid for up to 15 years and claims for 5 years. Following their expiry, claims can subsequently be applied for as exploration licences. Each are awarded by the Finnish Safety and Chemical Agency ("**Tukes**") and confer upon the holder exclusive rights of prospecting and exploration for minerals, while mining licences also confer rights of exploitation, and the establishment of facilities for collection and processing of minerals found in the area granted.

On May 30, 2018 a technical report (the "**Pahtavaara Technical Report**") was issued to support the Mineral Resource Estimate for Pahtavaara and was prepared in accordance with the Canadian Securities Administrators' National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). It was filed on Sedar (www.sedar.com) and is also available on the Company's website (www.rupertresources.com). It is titled "NI-43-101 Technical Report: Pahtavaara Project, Finland" and was prepared by Brian Wolfe, Principal Resource Geologist of International Resource Solutions Pty Ltd, Perth Australia, an independent "Qualified Person" as such term is defined in NI 43-101.

Pahtavaara's mineral resource estimate ("**Pahtavaara MRE**") as disclosed in the Pahtavaara Technical Report comprises a Mineral Resource in the Inferred category of 4.6 million metric tonnes ("**Mt**") at 3.2 grams per tonne ("**g/t**") gold ("**Au**"), for 474 thousand ounces ("**koz**") gold at a 1.5 g/t Au cut off grade.

Central Finland Properties

In May 2018 the Company completed the acquisition of all of the issued and outstanding securities of Northern Aspect Resources Ltd. ("**NARL**"), whereby the shareholders of NARL received 4,913,466 common shares in the Company ("**the NARL transaction**")at a deemed price of $0.85 per share, being the closing price of the common shares in the Company on the TSX-V on January 14, 2018 ("**the consideration shares**") – see "*Other developments in 2018/19*").

NARL is a privately owned, British Columbia incorporated company with a 100% beneficial interest in the Hirsikangas and Osikonmäki properties in Central Finland. The Hirsikangas property ("**Hirsikangas**") consists of six exploration licences, three of which are currently in the process of renewal, a recently applied for exploration licence to the east of the current valid exploration licences and a further exploration licence at Hanni. The Osikonmäki property ("**Osikonmäki**") consists of seven valid claims, two exploration licences that are in application for renewal and one new exploration licence application.

Hirsikangas

The Hirsikangas gold deposit ("**Hirsikangas**") is a Paleoproterozoic orogenic gold deposit located on a 30km crustal scale shear zone. It is controlled by a NW-SE trending structure which extends for approximately 30km on a land position held by a wholly-owned subsidiary of Rupert Resources Ltd. The reported resource is contained within 1.2km of strike length and drilled at shallow levels. The prospect, which outcrops at surface, is open down dip and along strike in both directions.

In November 2018 the Company filed a technical report entitled "NI 43-101 Technical Report: Hirsikangas Gold Project Finland" with an effective date of November 9, 2018 ("**Hirsikangas Technical Report**"), prepared by Brian Wolfe, Principal Consultant, International Resource Solutions Pty Ltd, a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and available on SEDAR (www.sedar.com) and on the Company's website (www.rupertresources.com). A mineral resource estimate in the Inferred category of 2.2Mt @ 1.2g/t gold ("**Au**") for 89Koz Au using 0.5g/t Au cut-off was reported in accordance with National Instrument 43-101 and estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") "Estimation of Mineral Resources and Mineral Reserves best Practice Guidelines". Numbers were affected by rounding. A cut-off of 0.5g/t Au was selected for the reported estimate based on an optimised pit shell, including recoveries of 92% and a gold price of EUR1200/oz.

The Hanni target located south east along strike from the Hirsikangas deposit has previously been identified by the Geological Survey of Finland ("**GTK**") and has some limited historic drilling, along with IP geophysics. NARL has applied for an exploration permit covering the extent of the target and undertaken stakeholder meetings with landholders and local authorities to discuss its exploration plans for the area.

Osikonmäki

The deposit at Osikonmäki is located in eastern central Finland, 40km south of Outokumpu. The model for Osikonmäki is that of an epigenetic intrusion related shear zone gold deposit located in the northwest trending crustal scale Ladoga-Bothnian deformation zone. Gold is concentrated in the footwall to the shear zone which dips to the south at about 45°, and plunges towards the east. In excess of 20km of historic drilling, IP and magnetic geophysical surveys and base of till geochemical sampling has been undertaken at the project with potential for extensions outlined.

Following initial acquisition in December 2016, NARL expanded the licence area at Osikonmäki through the approval of a reservation surrounding all existing claims and licences and conducted a desktop review of the historical data. Pending the renewal of two exploration permits, Rupert plans to resume exploration at the project.

A technical report was prepared for the Company, entitled "NI 43-101 Technical Report: Osikonmäki Gold Project Finland" with an effective date of November 9, 2018, prepared by Brian Wolfe, Principal Consultant, International Resource Solutions Pty Ltd, a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and available on SEDAR (www.sedar.com) and on the Company's website (www.rupertresources.com). A mineral resource estimate in the Inferred category of 3.2Mt @ 2.7g/t Au for 276Koz Au using 1.5g/t cut-off was reported in accordance with National Instrument 43-101 and was estimated using the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") "Estimation of Mineral Resources and Mineral Reserves best Practice Guidelines". Numbers were affected by rounding. A cut-off of 1.5g/t Au was selected for the reported estimate based on historical breakeven operating costs for other underground gold mines in Finland. Other assumptions were based on the potential for combined open pit and underground extraction, recoveries of 85-90% and a gold price of EUR1200/oz.

The new Inferred Resource is based on a geological interpretation of the deposit following a review of all available data that has been collected since project initiation. The mineralisation remains open in several directions at the Osikonmäki deposit. A key area of focus is considered to be the down-plunge extent of the high-grade shoots within the main zone of mineralisation and extension of the western section of mineralisation. Potential also remains to the east of the deposit where there is evidence of high grade material and multiple zones; as well as for regional exploration of the permit where a program of geophysical targeting coupled with geochemical investigation is warranted.

Gold Centre Property, Ontario

The Company holds a 100% interest in a 21 year mining lease consisting of mineral claims located in the Balmer Township, Red Lake Mining Division of Ontario, subject to a 1.5% net smelter returns royalty ("NSR"), (together "**Red Lake**"). The mining lease encompassing the Gold Centre property is valid until 2036. In 2018 Rupert commissioned Orix Geoscience to consolidate all historical data for Gold Centre. Rupert is monitoring renewed activity in the Red Lake camp and reviewing opportunities to joint venture or divest from the property..

Surf Inlet Property, British Columbia

The Surf Inlet Property ("**Surf Inlet**") comprises nine claims totalling 8.9 square kilometers ("**km²**") and are adjacent to the Surf and Pugsley mines, which were active until around the 1940's. A Technical Report was prepared for the Company in accordance with NI 43-101, by or under the supervision of Carl Von Eidsiedel P.Geo. an independent Qualified Person as such term is defined in NI 43-101 and entitled "Technical Review, Surf Inlet Gold Project, mid Coastal British Columbia, Canada" (the "**Surf Inlet Technical Report**") and dated May 3, 2004. While the Company is of the opinion that Surf Inlet has merit, it has not continued with the recommended exploration on this property and has no plans to do so in the foreseeable future. As a result, the value of Surf Inlet has been written down to nil.

Discussion of Operations

During 2018/19 and up to the date of this document, Rupert's operational activities have been entirely focussed on Pahtavaara and since its acquisition in May 2018, also Hirsikangas.

Pahtavaara

During 2018/19 and up to the date of this document, the geology program at Pahtavaara has comprised two main work streams: firstly, the definition of new resources in close proximity to underground mine infrastructure and at surface within around1km of the Pahtavaara mill. Secondly, evaluation of the resource potential on the wider claims held by Rupert in the area around Pahtavaara. In 2018, new geological models were generated for both the mine and regional licence package which have formed the basis of Rupert's winter 2018/2019 exploration program.

During the first quarter of 2018/19 the Company further developed its understanding of the structural controls, chronology of alteration, veining and gold mineralisation of the Pahtavaara gold deposit. This contributed to the development of a new geological model that was used to inform resource modelling and in April 2018 the Pahtavaara MRE was issued.

Exploration activities at the Pahtavaara mine to validate the geological model and potentially expand the resource included a comprehensive underground sampling program, utilising the 35km of existing underground infrastructure and initial results from this program were announced on May 24, 2018. The program was designed to sample up to 5,000m of underground development throughout the vertical extent of the resource and across all the main mineralised zones. The second program at the mine comprised infill assaying of the sampling gaps in previous diamond drilling and assumed to have no mineralisation for the purpose of the Pahtavaara MRE. In 2018 a program was undertaken to sample unassayed core from intersections within the resource model, along with additional prospective areas based on the updated geological interpretation. This work reaffirmed the potential for extensions to the Pahtavaara MRE.

In July 2018 Rupert published a new geological interpretation for Pahtavaara and the surrounding land package. Combined with historical data, it has provided the basis for ongoing exploration for gold and base metals.

Following Rupert's reappraisal of historical drill data resulting in a new geological model, a limited drilling program totalling 3,128m was undertaken in late 2018 and into early 2019 to identify near-surface extensions of known mineralisation in the Pahtavaara mine. Structural analysis carried out in 2018/19 identified that the bulk of mineralisation at Pahtavaara was hosted in two plunging zones, Samurai and DB controlled by the intersection of north west and east-north-east structural features. This drilling demonstrated the potential for further mineralised plunging shoots that come to surface and show continuity at depth along with further near surface mineralisation in close proximity to the North West and Main open pits.

Regional Exploration

The Company completed the consolidation of historic geological and geochemical information into its in-house database during the 2018/19 period. Re-interpretation of existing geophysical date and the collection of new data was undertaken. This included a magnetic surveying program using an Unmanned Aerial Vehicle ("**UAV**") over 5,377 line kilometres and a detailed ground gravity survey. The company has developed a revised regional geological interpretation which is being used to generate exploration targets both, in proximity to the existing mine and throughout the licence package held at Pahtavaara.

Over the 2018 summer fieldwork season, student geologists mapped and sampled outcrops over the entire Rupert licence area with 947 samples collected including 133 from outcrop. In June 2018 Rupert commenced base of till ("BOT") drilling, initially at targets close to the Pahtavaara mill which identified gold anomalies referenced in press releases as Paskamaa East and Arttu (both within 1km from the

Pahtavaara mill). The BOT drilling program was expanded in November 2018 to include new distal targets generated by the summer fieldwork, geophysical survey data and new structural interpretation in the west and south west extents of the licence area. As at June 2019 over 6,000 base of till samples had been taken and a number of further gold anomalies defined in an area called "Area 1".

A reconnaissance diamond drill program totalling 31 holes and 3,569m m to test anomalies at Area 1 and Paskamaa commenced in February 2019 and ended in June 2019. Initial results from the drilling at Area 1 that defined two significant discoveries of gold mineralisation were announced on the 21st May 2019.

Other Project Work

During 2018/19 the Company has been working with an internationally recognised engineering consultant to understand the capital and operating costs of restarting the Pahtavaara mill. Metallurgical testwork has also been completed on additional zones in the orebody to confirm that they are able to be processed using the existing flowsheet which produced historical recoveries of 80 to 90% using gravity and flotation methods.

Central Finland Properties

Hirsikangas

Further to acquisition through NARL of the properties at Hirsikangas in May 2018, the Company has continued with a sampling and mapping campaign initiated in 2017 to cover the strike extent of the shear zone at Hirsikangas that had yielded a number of gold bearing outcrops, boulders and soil anomalies. In the summer season of 2018, a further 393 field observations, 284 outcrop observations, 107 boulder observations, 313 grab samples, 389 till samples and 17 heavy mineral samples were taken. A UAV magnetic survey was also completed. Furthermore a 1,318 m diamond drilling campaign was conducted across 10 holes in targeted areas close to the known extent of the mineral deposit at Hirsikangas, including one hole under the main deposit, four holes to extend known parallel or offset structures and a further five holes along the strike of the defined mineralisation to identify further parallel or offset structures to the east testing a resistivity high. The results of this campaign were announced by the Company in September 2018 (see "*Other developments in 2018/19*") and were used in the Hirsikangas Technical Report.

Osikonmäki

The Company has commenced re-engagement with local stakeholders at Osikonmaki and believes that a new exploration licence could be awarded within the next two or so years. Rupert is also reviewing opportunities to expand the property to accommodate a previously identified gold anomaly.

During 2018/19, the Company spent $5,514,741 (twelve months ended February 28, 2018 - $7,360,780) on general exploration costs (see "Intangible Assets").

Other developments in 2018/19

The Company announced on March 2, 2018 that it had closed a private placement ("**the March 2018 Private Placement**") and had issued 5,903,615 common shares in the Company at a price of $0.83 per common share for gross proceeds of $ 4,900,000. See "*Outstanding share data*").

On March 20, 2018 the Company entered into a binding, definitive share exchange agreement with NARL and all of the shareholders of NARL to complete the NARL transaction, subject to certain conditions, including *inter alia*, definitive approval from the TSX-V.

On April 16, 2018 the Company announced a Mineral Resource Estimate for Pahtavaara and prepared in accordance with NI 43-101 and comprising 4.64 million tonnes in the Inferred Category, grading 3.2 grams per tonne gold for 474,000 oz gold at a cut off of 1.5 grams gold per tonne.

On May 15, 2018, the Company announced that it had received from the TSX-V, final approval to acquire all the issued and outstanding securities of NARL and that it had completed the NARL transaction through issue of 4,913,466 consideration shares at a deemed value of $0.85 per share.

On May 30, 2018 a technical report to support the Mineral Resource Estimate for Pahtavaara was filed - see "*Company Overview and Discussion of Operations – Company Overview - Pahtavaara*".

At May 31, 2018, the Company had a working deficit of $2,402,567 (February 28, 2018 – working capital of $4,556,163). The $6,598,730 decrease in working capital during the twelve months ended February 28, 2019 was primarily due to the increase of short term convertible debt of $7,253,233 and $406,655 increase in amounts payable and accrued liabilities, offset by increases in cash of $461,974 and prepaids and sundry receivables of $239,094. The Company had cash of $5,949,381 at February 28, 2019 (February 28, 2018 - $5,487,407). The increase in cash during the twelve months ended February 28, 2019 was primarily due to the cash raised from the financial placements, offset by operating and investing activities.

On June 25, 2018 Mr. Gunnar Nilsson assumed the role of non-Executive Chairman of the Company, replacing Mr. Brian Hinchcliffe, who was the Executive Chairman until that date. Mr. Nilsson was previously a Director of NARL. Prior to this Mr. Nilsson held senior roles at Johnson & Johnson and Svenska Cellulosa/Mölnlycke before retiring to act as a private investor. Mr. Nilsson has over 30 years experience of developing and operating businesses in Europe and through joint venture companies outside Europe.

On July 30, 2018 an updated regional geology interpretation for Pahtavaara in the CLGB was issued by the Company and represented the culmination of approximately 12 months of evaluation by the Company.

On August 1, 2018 the Company announced the award of 2,625,000 share options in the Company to certain directors, officers and employees. The options carry an exercise price of $ 1.00 per share and are valid for five years from date of grant.

On July 30, 2018. Dr. Charlotte Seabrook joined the Company as Group Exploration Manager. Prior to joining Rupert, Dr. Seabrook was District Geologist for Newcrest Mining Ltd. in West Africa. She has 13 years experience in geology and mining having completed her PhD at the University of Witwatersrand, holds an MSc Mineral Resources (Cum laude) from the University of Wales (Cardiff) and is based in Finland.

On September 11, 2018 the Company reported drill results from its 2018 drilling campaign at its Hirsikangas Project, in Central Finland. The drilling reported confirmed the deposit extended at depth and also the presence of parallel or offset structures.

On October 29, 2018 the Company provided an exploration update and reported that its regional exploration program beyond the mine had identified, through base-of-till ("**BoT**") drilling, a gold anomaly in area known as Paskamaa East ("**Paskamaa**") and located 1km to the north west of the Pahtavaara mine and mill.

The Company announced on November 30, 2018 that it had closed a financial placement and has issued 9,249,000 common shares of the Company ("Common Shares") at a price of $0.80 per Common Share for gross proceeds of $7,399,200 ("**the November 2018 Private Placement**").

On December 6, 2018 the Company announced that it had recommenced near-mine diamond drilling and was continuing with BOT drilling.

The delineation of further gold anomalies in close proximity to Pahtavaara in the North East Extension and Arttu areas was announced by the Company on January 21, 2019.

Events subsequent to February 28, 2019

On March 1, 2019 the Company announced that on-going BOT drilling had delineated further gold anomalies both near-mine in the Arttu target area and at Area 1, a previously untested area in the southwest of the licence – this target had been identified by geophysics and the new regional geological interpretation.

On May 21, 2019 the Company announced initial results from the Area 1 target area. In a focussed diamond drill program, two holes were planned to confirm separate targets and both intercepted sulphide mineralisation within distinct metasedimentary sequences. Significant intercepts include 10.5m grading 3.55g/t Au in hole 119032, 90m below a base of till anomaly of 21g/t Au. Hole 119033 intersected 2.0m grading 3.4g/t Au along with broad zones of lower grade gold and copper mineralisation associated with sulphides throughout the length of the hole.

Status, Plans and Expenditures

As at the date hereof, Pahtavaara is at the exploration stage. The Company's plans for approximately the following twelve months are to continue to advance the Pahtavaara project and in particular:

- to continue exploration activities aimed at identifying gold mineralisation both inside and outside of the current Mineral Resource areas through both further diamond drilling and reverse circulation drilling at the mine, along with improved geochemical and structural understanding of the deposit.

- Identify further gold anomalies using geochemical analysis of base of till samples and geological mapping and sampling over the Pahtavaara Project area. These will be followed up using reverse circulation of diamond drilling to define potentially economic mineralisation.

- the Company also plans to conduct exploration activities at the Hirsikangas project using BOT and surface mapping and sampling.

The Company will contiinue to evaluate future options at its Red Lake and Surf Inlet Properties, including eventual joint ventures with third parties. The Company has evaluated the cost of the above plans and has determined that it will obtain sufficient financial resources to conduct these activities.

See "*Statement Regarding Forward-Looking Information*" and "*Risks and Uncertainties*".

The Company spent approximately $5.9 million at Pahtavaara in 2018/19, including payment of land surface taxes and in country operating costs, (12 months ended February 28, 2018: $7.0 million).

Additional financing will be required to fund operating expenses as it searches for suitable assets or businesses to merge with or acquire. See "Liquidity and Capital Resources".

There have been no actual or anticipated changes which would adversely affect the financial condition or performance of the Company, nor industry or economic factors that would affect the Company's performance.

Expenditure by the Company up to February 28, 2019 on Pahtavaara amounted to $17.7 million on a cumulative basis.

Achievement of plans and milestones in 2018/19

The key plans and milestones of the Company for 2018/19 were as follows:

- Conduct a drilling program at Pahtavaara in order to improve confidence in and understanding of the mineral deposit in and around the Pahtavaara mine; and

- Seek other development opportunities focussed on gold in Finland.

The development of Pahtavaara in the twelve months to February 28, 2019 was consistent with these plans of the Company. In particular the Company:

- completed a further diamond drilling campaign at Pahtavaara;

- a Mineral Resource Estimate was prepared in accordance with the requirements of NI 43-101 and published by the Company on April 15, 2018

- commenced regional mineral exploration across the Pahtavaara licence holdings; and

- completed the NARL transaction.

For further discussion of the above, see "*Discussion of Operations*" and "*Other developments in "2018/19*" and *"Events subsequent to February 28, 2019"*.

Risks and Uncertainties

In common with other companies operating in natural resources exploration, the Company is subject to ongoing risk factors and uncertainties, including, among others, title risks, commodity prices, liquidity and financing risks, exchange rate risks, permitting risks, operating and environmental hazards encountered in the exploration, development and mining business and changing laws and public policies, as well as the risks disclosed elsewhere in this MD&A. Risk management is the responsibility of the Company's management team, with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance on overall risk management.

Summary of Financial and Operating Performance

<u>Summary of Overall Financial Performance</u>

The Company reports in Canadian dollars. The functional currency of Pahtavaara is the Euro. The presentational currency of the Company is Canadian Dollars. The financial statements of the Company for the year ended February 28, 2018 are prepared in accordance with IFRS as issued by the IASB.

	Year ended February 28, 2019 $	Year ended February 28, 2018 $
Net loss	(5,449,052)	(6,005,845)
Cash and cash equivalents	5,949,381	5,487,407
Exploration assets	23,602,400	11,877,704
Net assets	23,925, 065	13,026,290

The net loss for the Company of $(5,449,052) for the twelve months ended February 28, 2019 (twelve months ended February 28, 2018: $(6,005,845)) was after the following principal items:

- General and Administrative ("**G&A**") costs of $(2,415,552) for the twelve months ended February 28, 2019 (twelve months ended February 28, 2018: $(2,327,370)). See "*Results from Operations".*
- Share-based payments of $(1,785,337) for the twelve months ended February 28, 2019 (twelve months ended February 28, 2018: $(2,579,571))
- Accretion and interest expense for the twelve months ended February 28, 2019 of $(1,253,915) (twelve months ended February 28, 2018: $(1,108,287)), driven by the interest charge and unwinding of convertible debentures.

Further analysis of total comprehensive income/(loss) is contained in the section *"Results from Operations".*

The cash levels of the Company as at February 28, 2019 and February 28, 2018 vary due to the timing and quantum of financing by the Company (see "*Outstanding Share Data*"), as well as the level of expenditures by the Company on exploration and administrative activities (see "*Results from Operations*" and "*Intangible Assets*").

The movement in exploration assets between February 28, 2018 and February 28, 2019 is a function of exploration expenditure during the year, together with foreign exchange movements and any asset impairments or revaluations during the period. See *"Intangible Assets".*

Comparison of Financial Condition

The financial condition of the Company is primarily measured by the reserves of cash and cash equivalents, and the level of net assets. As of February 28, 2019 the Company held cash and cash equivalents of $ 5,949,381 (February 28, 2018: $5,487,407). As of February 28, 2019, the Company had net assets of $23,925,625 (February 28, 2018: $13,026,290). The net assets of the Company have increased over the 12 months ended February 28, 2019 due to the NARL transaction (see "*Company Overview and Discussion of Operations – Central Finland Properties*") and the November 2018 financial placement (see "*Company Overview and Discussion of Operations – Other developments in 2018/19*"), offset by general and administrative expenses and accretion and interest expenses incurred. Net assets are also impacted by the operating performance of the Company (see "*Results from Operations*").

Summary of Cash Flows

	Year ended February 28, 2019 ($)	Year ended February 28, 2018 ($)
Net cash absorbed in operating activities	(3,017,352)	(2,355,736)
Net cash absorbed in investing activities	(6,400,360)	(8,902,394)
Net cash flow generated from financing activities	9,879,686	2,506,116
Net increase/(decrease) in cash and cash equivalents	461,974	(8,752,014)

The net cash flows used in operating activities for the twelve months ended February 28, 2019 and February 28, 2018 are driven by activities in the management of Pahtavaara. The change between February 28, 2018 and February 28, 2019 is primarily attributed to spend on corporate and administrative costs, together with variations arising from fluctuations in trade and other receivables and payables.

Cash used in investing activities decreased to $(6,400,360) in the twelve months ended February 28, 2019 as compared to $(8,902,394) in the twelve months ended February 28, 2018. The lower spend in the twelve months ended February 28, 2019 as compared to the prior period was principally driven by lower expenditure on exploration activities.

Cash flows from financing activities in the twelve months ended February 28, 2019 arose from the March 2018 Private Placement and the November 2018 Private Placement (see "*Company Overview and Discussion of Operations – Other developments in 2018/19"* and "*Outstanding share data").*

Analysis of Selected Financial Information

	February 28, 2019 ($)	February 28, 2018 ($)	February 29, 2017 ($)
Revenue	Nil	Nil	Nil
Gross Profit	Nil	Nil	Nil
Comprehensive loss	(6,171,061)	(5,079,159)	(2,503,081)
Dividends / Distributions	Nil	Nil	Nil
Total Assets	33,872,432	21,444,351	21,034,006
Total non-current liabilities	1,203,465	7,334,047	6,515,721
Net Loss per comon share basic and diluted ($ per share)	(0.05)	(0.06)	(0.03)

For analysis of comprehensive for the year ended February 28, 2019 of $(6,171,061) and for the year ended February 28, 2018 of $(5,079,159), see "*Results from Operations*." The comprehensive loss for the year ended February 29, 2017 of $(2,503,081) was driven primarily by administrative expenses of $(1,446,893), share-based payments (non-cash) of $(1,083,050) and accretion and interest of $(483,408).

Total assets primarily comprise exploration assets, which as at February 28, 2019, 2018 and 2017 are made up of the capitalised exploration and development costs attributed to Pahtavaara, acquired by a wholly owned subsidiary of the Company on *August 30, 2016.* As at February 28, 2019 they also included assets acquired in May 2018 through the NARL transaction. Current assets comprise cash and cash equivalents together with trade and other receivables.

Non-current liabilities as at February 28, 2019 comprise an asset retirement obligation in connection with the Pahtavaara mine of $1,203,465 (February 28, 2018: $949,167; February 28, 2017: $853,753) and convertible debentures of $nil (February 28, 2018: $6,384,880; February 28, 2017: $5,661,968).

Fourth Quarter

For the three-month period ended February 28, 2019, the Company had a comprehensive loss of $(1,859,714) and a net loss per share of $(0.01), compared to $(969,507) and a net loss per share of $(0.01) in the three-month period ended February 28, 2018, an increase of $(890,207).

Significant factors in line items that caused the increase in loss for the three-month period ended February 28, 2019 as compared to the three-month period ended February 28, 2018 were as follows:

- Exchange differences on translating foreign operations moved from a gain in the fourth quarter of 2017/18 of $614,544 to a loss in the fourth quarter of 2018/19 of $318,037, a change of $932,581.

The net decrease in cash and cash equivalents of $2,305,110 for quarter ended February 28, 2019 was driven by operating and investing activities at the Company, offset by balance of funds received in

December 2018 in connection with the November 2018 Financial Placement. The equivalent measure for the quarter ended February 28, 2018 was also driven by operating and investing activities at the Company, offset by the March 2018 private placement (see "*Company Overview and Discussion of Operations – Other developments in 2018/19"* and "*Outstanding share data*").

Quarterly Financial Information

The Company reports in Canadian Dollars. The functional currency of Pahtavaara is the Euro. The financial statements for the Company were prepared in accordance with IFRS as issued by the IASB.

Quarter Ended	February 28, 2019 ($)	November 30, 2018 ($)	August 31, 2018 ($)	May 31, 2018 ($)	February 28, 2018 ($)	November 30, 2017 ($)	August 31, 2017 ($)	May 31, 2017 ($)
Revenue	—	—	—	—	—	—	—	—
Profit/(loss) from continuing operations (1)	(1,541,677) (10)	(1,476,048) (9)	(1,169,927) (8)	(1,261,400) (7)	(1,584,051) (3)	(1,468,424) (4)	(1,572,792) (5)	(1,380,578) (6)
Total comprehensive income/(loss) attributable to owners of the parent(2)	(1,859,714)	(1, 398,160)	(1, 206,313)	(1,706,874)	(969,507)	(1,357,940)	(1,702,553)	(1,049,159)
Profit/(loss) from continuing operations pence per share (11)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)
Total comprehensive earnings/(loss) per share (11)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)	(0.01)	(0.02)	(0.01)

Notes

(1) Disclosed as "Net loss for the period"

(2) Disclosed as "Net loss and Comprehensive loss for the period"

(3) Net Loss of $(1,584,051) principally relates to share-based payments of $595,407, office and sundry of $270,627, accretion & interest expense of $ 285,167, travel of $63,007, professional fees of $88,038, salaries and benefits of $232,723 operating expenses related to general working capital purposes

(4) Net Loss of $(1,468,424) principally relates to share-based payments of $623,963, office and sundry of $187,085, accretion & interest expense of $281,105, travel of $102,794, professional fees of $38,946, salaries and benefits of $213,706 and operating expenses related to general working capital purposes

(5) Net Loss of $(1,572,792) principally relates to share-based payments of $779,412, office and sundry of $117,038, accretion & interest expense of $ 274,291, travel of $141,004, professional fees of $41,776, salaries and benefits of $184,605 and operating expenses related to general working capital purposes

(6) Net Loss of $(1,380,578) principally relates to share-based payments of $580,789, office and sundry of $163,255, accretion & interest expense of $ 267,724, travel of $144,575, professional fees of $55,942, salaries and benefits of $124,446 and operating expenses related to general working capital purposes

(7) Net Loss of $(1,261,400) principally relates to share-based payments of $415,857, office and sundry of $168,355, accretion & interest expense of $ 301,907, travel of $97,175, professional fees of $50,263, salaries and benefits of $186,622 and operating expenses related to general working capital purposes.

(8) Net Loss of $(1,169,927) principally relates to share-based payments of $286,788, salaries and benefits of $ 192, 796, office and sundry of $189,258, travel of $68,931, professional fees of $114, 699, accretion and interest expense of $31,277 and operating expenses related to general working capital purposes.

(9) Net Loss of $(1,476,048) principally relates to salaries and benefits of $201,102, share-based payments of $578,025, professional fees of $21,436, travel of $96,855, office and sundry of $205,151, accretion and interest expense of $318,184 and operating expenses related to general working capital purposes.

(10) Net Loss of $(1,541,677) principally relates to salaries and benefits of $201,115, share-based payments of $504,667, professional fees of $222,619, travel of $57,212, office and general of $180,000 and operating expenses related to general working capital purposes

(11) Basic and diluted

Total comprehensive income attributable to owners of the parent additionally reflects currency translation differences arising on translation of foreign operations.

Results from Operations

	12 months ended February 28, 2019 $	12 months ended February 28, 2018 $
Analysis of Operating Loss:		
General and Administration Costs		
Salaries and benefits	(781,675)	(755,480)
Professional, regulatory, consulting fees and transfer agent	(510,832)	(377,505)
Travel	(320,173)	(451,380)
Other including office and sundry	(802,872)	(743,005)
Total General and administrative costs	(2,415,552)	(2,327,370)
Share-based payments (non-cash)	(1,785,337)	(2,579,571)
Loss before other items	(4,200,889)	(4,906,941)
Depreciation	(10,774)	(78)
Unrealized gain/(loss) on marketable securities	90	144
Accretion and interest expense	(1,253,915)	(1,108,287)
Other income	16,436	9,317
Net loss before income taxes	(5,449,052)	(6,005,845)
Deferred income tax recovery	-	-
Net loss for the year	(5,449,052)	(6,005,845)
Currency translation differences	722,009	926,686
Net loss and Comprehensive loss for the year	(6,171,061)	(5,079,159)

Rupert's net loss for the year totaled $(5,449,052) for the year ended February 28, 2019, with basic and diluted loss per share of $(0.05). This compares with a net loss for the year of $(6,005,845) with basic and diluted loss per share of $(0.06) for the year ended February 28, 2018. No revenue was recorded in either period.

The net loss decreased by $ (556,793) due to the following:

General and administrative expenses increased to $(2,415,552), which was $(88,182) higher than the comparable period primarily due to increases in professional fees of $(184,315).

Share-based payments decreased by $(794,234) as a result of the stock options granted and vested. Accretion & interest expense increased in 2018/19 by $(145,628) to $(1,253,915) due to the charge related to options issued in August 2018.

For analysis regarding how these expenditures related to relevant milestones for the Pahtavaara and anticipated timing and costs to advance the Pahtavaara to further stages, see "*Status, Plans and Expenditures"* and "*Achievement of Plans and Milestones in 2018/19".* For analysis of net movement in exploration and evaluation assets and explanation of the Company's exploration activities in 2018/19, see *"Analysis of Exploration and Evaluation Assets."*

Analysis of Exploration and Evaluation Assets

	Osikonmaki ($)	Hirsikangas ($)	Red Lake ($)	Pahtavaara ($)	Surf Inlet ($)	Total ($)
Net Book Value						
At 29 February, 2017	-	-	185,945	3,807,452	-	3,993,397
Additions	-	-	-	7,494,051	-	7,490,051
Disposals	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Exchange rate movements	-	-	-	390,256	-	390,256
At February 28, 2018	-	-	185,945	11,691,759	-	11,877,704
As at March 1, 2018						
Additions	3,056,409	2,700,528	14,715	6,439,036		12,210,688
Disposals	-	-	-	-		-
Impairments	-	-	-	-		-
Exchange rate movements	(14,279)	(15,605)	-	(456,108)		(485,992)
Net book value at February 28, 2019	3,042,130	2,684,923	200,660	17,674,687	-	23,602,400

Exploration Costs within exploration and evaluation assets comprise all costs directly attributable to the exploration of a project area and which are capitalised to that project. The accounting policies of the Company specify that exploration costs are to be denominated in the functional currency of the country in which the asset is located. Pahtavaara is located in Finland and is thus denominated in Euros.

Exploration costs capitalised in 2017/18 of $7,494,051 included the drilling programme initiated in November 2016 and completion of a field evaluation programme carried out over the summer of 2017. Exploration costs capitalised in 2018/19 of $6,439,036 at Pahtavaara included the drilling programme initiated in October 2018 and completion of a field evaluation programme carried out over the summer of 2018. Exploration costs capitalised in 2018/19 of $2,700,528 at Hirsikangas included the drilling programme initiated in May 2018 and completion of a field evaluation programme carried out over the summer of 2018.

Further analysis of the expenditure on exploration and evaluation assets during 2018/19 and 2017/18 is set out below:

Hirsikangas	Year Ended February 28, 2019 $	Year Ended February 28, 2018 $
Licenses and permits and staking	37,164	-

Acquisition	2,335,103	
Drilling incl. fuel	4,200	-
Salary	361,225	-
Total	**2, 700,528**	**-**

Osikonmaki	Year Ended February 28, 2019 $	Year Ended February 28, 2018 $
Acquisition	3,056,40ç	-
Licenses and permits and staking	-	-
Assays	-	-
Surveying	-	-
Total	**3,056,409**	**-**

Pahtavaara	Year Ended February 28, 2019 $	Year Ended February 28, 2018 $
Property taxes	13,784	13,510
Licenses and permits and staking	454,403	510,017
ARO increase	297,327	
Assays	1,452,915	780,490
Geological consulting	659,894	472,751
Consulting	16,980	68,585
Geophysics	271,574	33,929
Drilling incl. fuel	1,071,299	2,733,864
Equipment rental	18,887	41,797
Transportation	41,809	29,818
Other incl. travel and field expenditures	19,350	7,193
Utilities	285,621	511,591
Equipment	-	63,233
Salary	1,806,191	2,196,336
Surveying	-	30,937
Total	6,439,036	**7,494,051**

Surf Inlet	Year Ended February 28, 2017 $	Ye ar Ended February 29, 2016 $
Fees & licenses	Nil	Nil
Geological	Nil	Nil
Write-down	Nil	Nil
Total	**Nil**	**Nil**

Red Lake	Year Ended February 28, 2017 $	Ye ar Ended February 29, 2016 $
Fees & licenses	Nil	Nil
Geological	14,715l	Nil
Write-down	Nil	Nil
Total	**14,715**	**Nil**

Other Information

Outstanding Share Data

	Year to February 28, 2019 (000’s)	Year to February 28, 2019 ($)	Year to February 28, 2018 (000’s)	Year to February 28, 2018 ($)
Issued and fully paid				
Ordinary Shares				
At March 1	101,214,992	36,106,781	100,737,215	36,034,997
Private Placement (1) (2)	15,152,615	12, 299,199	-	-
Share isue costs	-	(221,062)	-	-
Shares issued for the NARL Transaction	4,913,466	5,404,813	-	-
Warrants exercised	-	-	377,777	29,284
Shares cancelled	(352,500)	-	-	-
Stock options exercised	1, 800,000	626,419	100,000	42,500
At February 28	122,728,523	54,216,150	101,214,992	36,106,781

Notes

(1) In connection with the March 2018 Private Placement, the Company issued 5,903,615 Common Shares at a price of $0.83 per Common Share for gross proceeds of $4,900,000.

(2) In connection with the November 2018 Private Placement, the Company isued 9,249,000 Common Shares at a price of $0.80 per Common Share for gross proceeds of $7,399,200.

Also included in the Company's balance sheet as at February 28, 2018 is $ 2,465,951 in connection with cash held on trust as at that date by the Company's legal advisors in regard to the March 2018 private placement.

<u>Stock Options and Warrants in the Company</u>

The total Options outstanding as at the date hereof amount to 8,315,000 with an average exercise price of $0.74, and which will be fully vested by July 31,2020. There is no other share-based compensation paid by the Company.

The Company recognises as an expense the cost of warrants and/or stock based compensation based upon the estimated fair value of new stock options or warrants granted. The fair value of each stock option or warrant is estimated on the date of grant using the Black-Scholes option pricing model and is expensed over the vesting period.

There were no warrants outstanding as at the date hereof.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Liquidity, Capital Resources and Financial Instruments

The Company is not in commercial production on any of its properties and accordingly it does not generate cash from operations and finances its activities by raising capital through issue of equity and convertible debentures.

As at February 28, 2019, the Company had $5,949,381 in cash at bank (as at February 28,2018: $5,487,407) and current liabilities of $8,743,902 (February 28, 2018 - $1,084,014. With the exception of fixed interest convertible debentures, the Company does not enter into lease arrangements or debt facilities to cover working capital requirements – see "*Contractual Obligations – Convertible Debentures*."

The Company endeavours to hold all cash and cash equivalents in interest bearing accounts. The Company has not invested in any short-term commercial paper, asset-backed securities or other financial instruments. There are no known or expected trends or fluctuations in the Company's capital resources and which would have a material impact on the capital resources of the Company. The Company mitigates risks associated with its cash holdings by reviewing the credit ratings of banks with which it places those holdings. Cash holdings kept in Finland are limited to cover short term needs only.

In management's view the Company will secure sufficient financial resources to fund currently planned exploration programmes and ongoing operating expenditures over at least the next 12 months. The plans for the Company in the fiscal year 2019/20 are to contineu with exploration activities at Pahtavaara and Hirsikangas. (see "*Status, Plans and Expenditures* ").

Expenditure plans are reviewed and adjusted on a regular basis as appropriate and in line with the financial resources of the Company. Financial commitments are not given to third parties where they would result in undue risk to the financial solvency of the Company going forwards. Payments will be required to maintain the Company's concessions in Finland in good standing and the Company ensures that it holds sufficient financial reserves to meet those payments. The Company only commits to future payments and exploration programmes once it already has the required financial resources to do so. The Company's liquidity and operating results may be adversely affected if its access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or matters specific to the Company.

There are no legal or practical restrictions on the repatriation out of Finland of capital and profits.

As of the date of this document, the Company holds sufficient working capital to meet its contractual obligations and carry out its planned activities at least through to end-February 2019 as outlined above. It will continue to be dependent on raising equity capital as required until and unless it reaches the production stage and generates cash flow from operations. To date the Company has been successful in raising funding from investors and believes that it will continue to be able to attract financial capital as it progressively de-risks and advances Pahtavaara.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of February 28, 2019, the Company is compliant with Policy 2.5.

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

There were no changes in the Company's approach to capital management during the twelve months ended February 28, 2019.

Contractual Obligations

$	*Payments Due by Period*				
	Total ($)	*Less than 1 year ($)*	*1 – 3 years ($)*	*4-5 years ($)*	*Greater than 5 years ($)*
Operating leases on offices	14,000	14,000	-	-	-
Asset retirement obligation(1)	1,203,465	-	-	-	1,203,465

Notes

(1) On August 30, 2016, as part of the acquisition of the Pahtavaara Gold Mine, the Company recognized obligations for future site restoration.. The amounts and timing of the closure plans will vary depending on a number of factors including alternative mine plans and applicable regulations. The total undiscounted amount of estimated future cash flows required to settle obligations related to the Pahtavaara were EURO 700,000 ($1,049,000), for which the Company purchased environmental bonds to the same value and disclosed as part of restricted cash on the balance sheet of the Company.

The cost of maintaining the concession areas of the Company through to end-February 2020 by payment of taxes is expected to total approximately $1,240,000 and has been included in the expenditure plans of the Company.

The Company is not in arrears nor believes that it will be at risk of default with its suppliers and regarding its lease payments. It has no plans to pay dividends until it has commenced commercial production. There are no capital expenditure commitments and no sources of funding that the Company has arranged but not yet used.

Convertible Debentures

On September 6, 2016, the Company issued unsecured convertible debentures with a total principal amount of $7,707,500 (the "convertible debentures"). Total transaction costs of $72,015 were incurred on the issuance. The convertible debentures were issued to finance working capital requirements of the Company are to mature on September 6, 2019 and bear interest at an annual rate of 5%, payable on a semi-annual basis. The convertible debentures will be convertible into common shares of the Company at the option of the holder prior to maturity, at a price of $0.95 per common share. There is the risk that the holders of the convertible debentures choose not to convert their interest into common shares upon maturity and that the Company does has insufficient liquidity to repay the convertible debentures. The Company is mitigating that risk by maintaining liaison with the principal holders of the convertible bonds and endeavouring to advance the Company such that the holders of the convertible bonds will choose to convert their holdings into common shares in accordance with the terms of the convertible debenture instrument.

After 12 months after the issue date of the convertible debentures, the Company has the option to repay the principal amounts of the convertible debentures in common shares provided certain circumstances are met, including that the 30 trading day volume weighted average price of the common shares is equal to or greater than 170% of the conversion price of $0.95.

The Company used the residual value method to allocate the principal amount of the convertible debentures between the liability and equity components. The Company valued the debt component of the convertible debentures by calculating the present value of the principal and interest payments, discounted at a rate of 18%, being management’s best estimate of the rate that a non-convertible debenture with similar terms would bear. The equity conversion feature of the convertible debentures comprises the value of the conversion option, being the difference between the face value of the convertible debentures and the liability element calculated above. Based on this calculation, the liability component is $5,300,700 ($5,350,695 net of transaction costs) and the residual equity component is $1,716,066.

Accretion charges attributable to the convertible debentures for the year ended February 28, 2019 was $868,253 (year ended February 28, 2018: $722,912). This amount is added to the liability component on the statements of financial position and is included in accretion expense on the statements of loss and comprehensive loss.

Transactions with Related Parties

The Company entered into the following transactions with related parties:

Name	**Year Ended February 28, 2019 $**	**Year Ended February 28, 2018 $**
Marrelli Support Services Inc. ("MSSI") (1)	38,103	38,258
Gowling WLG (Canada) LLP(2)	-	83,621

Notes

(1) On July 1, 2012, Rupert entered into an accounting support services agreement with MSSI, where under MSSI provided, beginning July 1, 2012, certain accounting support services. On October 22, 2012, in connection with such agreement with MSSI, Rupert retained Mr. Robert D. B. Suttie, Vice President of MSSI, as its Chief Financial Officer until November 7, 2017. Mr Suttie remains as a Director of the Company. During the year ended February 28, 2019, $38,103 (year ended February 28, 2018 - $38,258) was expensed with respect to the services provided. As at February 28, 2019, Marrelli Support was owed $2,973 (February 29, 2018 - $5,203. These amounts are included in amounts payable and accrued liabilities.

(2) During the year ended February 28, 2019, legal fees and reimbursements of $Nil (year ended February 28, 2018- $83,621 were paid to a legal firm, a partner of which was the Company's Corporate Secretary until December 2017. Included in accounts payable and accrued liabilities is $40,239 (February 28, 2018 - $42, 881) pertaining to these fees and ancillary expense reimbursements.

Remuneration and benefits of key management personnel and directors of the Company were as follows:

Salaries and benefits [1]	Year Ended February 28 2019 $	Year Ended February 28 2018 $
Brian Hinchcliffe, Executive Chairman [2]	Nil	231,234
Gunnar Nilsson, Non-Executive Chairman	24,000	n/a
James Withall, CEO	335,051	271,292
Jeffrey Karoly, CFO	120,683	36, 508

Black-Scholes Fair Value of Stock Options Granted During the Period	Year Ended February 28 2019 $	Year Ended February 28 2018 $
Total	**1,233,405**	**1, 794, 547**

[1] With the exception of the CEO, the Board of Directors do not have employment or service contracts with the Company.

[2] The Company entered into an agreement with the Executive Chairman of the Company to pay him a monthly consulting fee of US$10,000 effective March 1, 2016, the monthly fee was increased to US$16,000 on January 1, 2017. During the year ended February 28, 2018, $231,234 (year ended February 28, 2017 - $161,028) was expensed as salaries and benefits. The Executive Chairman ceased to receive a monthly fee from the Company from January 1, 2018. On June 25, 2018, the Executive Chairman resigned from the Company. As at February 28, 2019, the Executive Chairman was owed $ nil for salaries and reimbursable expenses (February 28, 2018: $Nil), with sums owing included in amounts payable and accrued liabilities as applicable.

Changes in accounting policies

The adoption of IFRS and IFRS Interpretation Committee interpretations did not result in any substantial or material changes to the accounting policies adopted by the Company.

IFRS 9 (2014) includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) based on the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 largely retains the existing requirements in IAS 39 Financial Instruments: recognition and measurement, for the classification and measurement of financial liabilities.

The new hedge accounting guidance aligns hedge accounting more closely with an entity's risk management objectives and strategies. IFRS 9 does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however, it allows more hedging strategies used for risk management to qualify for hedge accounting and introduces more judgment to assess the effectiveness of a hedging relationship, primarily from a qualitative standpoint. This does not have an effect on our reported results.

Management's Report on Internal Controls and Procedures

Internal control over financial reporting

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

i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation."

Management's Responsibility for Financial Information

The Company's financial statements are the responsibility of the Company's management, and have been approved by the Board of Directors. The financial statements were prepared by the Company's management in accordance with Canadian generally accepted accounting principles. The financial statements include certain amounts based on the use of estimates and assumptions. Management has established these amounts in a reasonable manner, in order to ensure that the financial statements are presented fairly in all material respects.

Changes in internal controls over financial reporting

There have been no changes in the Company's ICFR during the twelve months ended February 28, 2019 that have materially affected, or are reasonably likely to materially affect, its ICFR.

Approval

The Board of the Company has approved the disclosure contained in this MD&A.

Additional Information

Additional information relating to the Company is available under the Company's SEDAR profile at www.sedar.com or on the Company's website at www.rupertresources.com.

Proposed Transactions

There is no imminent decision by the Board of Directors of the Company with respect to any transaction beyond what is contemplated in this document.

Statement Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute forward-looking information under applicable Canadian securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “objectives”, “strategies”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in its document should not be unduly relied upon.

In particular, this MD&A contains forward-looking statements pertaining to the following:

- Mineral Resource estimates;
- targeting additional Mineral Resources and expansion of deposits;
- the Company’s expectations, strategies and plans and costings thereof for the Pahtavaara, Hirsikangas and Osikonmäki projects, including the Company’s planned exploration and development activities;
- the results of future exploration and drilling and estimated completion dates for certain milestones;
- successfully adding or upgrading Mineral Resources and successfully developing new deposits;
- the timing, receipt and maintenance of approvals, licences and permits from the Finnish government and from any other applicable government, regulator or administrative body,;
- production and processing estimates;
- future financial or operating performance and condition of the Company and its business, operations and properties; and
- any other statement that may predict, forecast, indicate or imply future plans, intentions, levels of activity, results, performance or achievements.

The actual results could differ materially from those anticipated in these forward-looking statements or information as a result of the risk factors set forth below and elsewhere in this MD&A:

- mineral exploration, development and operating risks;
- estimation of mineralisation, mineral resources and mineral reserves;
- environmental, health and safety regulations of the resource industry;
- competitive conditions;
- permitting and licencing risks;
- operational risks;
- negative cash flow;
- liquidity and financing risks and risks arising from use of financial instruments;
- funding risk;
- material contract risks;

- exploration costs;
- uninsurable risks;
- conflicts of interest;
- exercise of statutory rights and remedies;
- government policy changes;
- ownership risks;
- artisanal miners and community relations;
- difficulty in enforcement of judgments;
- the Company's staggered board of directors;
- market conditions;
- stress in the global economy;
- current global financial condition;
- exchange rate and currency risks;
- commodity prices;
- reliance on key personnel;
- dilution risk;
- payment of dividends;
- other factors discussed under *"Risks and Uncertainties"*; and

Statements relating to "Mineral Reserves" or "Mineral Resources" are deemed to be forward-looking statements or information, as they involve the implied assessment, based on certain estimates and assumptions, that the mineral reserves and mineral resources described can be profitably produced in the future. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Although the forward-looking statements contained in this document are based upon assumptions which the Company believes to be reasonable, the Company cannot assure holders of Ordinary Shares that actual results will be consistent with these forward-looking statements. With respect to forward-looking statements contained in this document, the Company has made assumptions regarding: future commodity prices and royalty regimes; availability of skilled labour; timing and amount of capital expenditures; future currency exchange and interest rates; the impact of increasing competition; general conditions in economic and financial markets; availability of drilling and related equipment; effects of regulation by governmental agencies; the receipt of required permits; royalty rates; future tax rates; future operating costs; availability of future sources of funding; ability to obtain financing and assumptions underlying estimates related to adjusted funds from operations. The Company has included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide holders of Ordinary Shares with a more complete perspective on the Company's future operations and such information may not be appropriate for other purposes. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. These forward-looking statements are made as of the date of this document and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

CIM Definition Standards

The Mineral Resources and Mineral Reserves for the Company's properties (including as used in the Technical Report) have been estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014 (the "**CIM Definition Standards**").

The following definitions are reproduced from the CIM Definition Standards:

"**Mineral Resource**" means a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

"**Inferred Mineral Resource**" means that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource (as defined herein) and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

"**Indicated Mineral Resource**" means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors (as defined herein) as described below in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource (as defined herein) and may only be converted to a Probable Mineral Reserve (as defined herein).

"**Measured Mineral Resource**" means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve (as defined herein) or to a Probable Mineral Reserve.

"**Mineral Reserve**" means the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a pre-feasibility study or feasibility study.

"**Probable Mineral Reserve**" means the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.

"**Proven Mineral Reserve**" means the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.

For the purposes of the CIM Definition Standards, "**Modifying Factors**" are considerations used to convert Mineral Resources to Mineral Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.