MANAGEMENT DISCUSSION AND ANALYSIS
For the Three Months Ended July 31, 2017 and 2016
Report Dated September 28, 2017

The following information, prepared as of September 28, 2017, should be read in conjunction with the unaudited condensed interim consolidated financial statements of Inca One Gold Corp. (the "Company" or "Inca One") for the three months ended July 31, 2017 (the "July 2017 Interim Financial Statements"). This MD&A is the responsibility of management and has been reviewed and approved by the Board of Directors of the Company. All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise. References to US$ are to United States dollars.

Description of the Business

Inca One is engaged in the business of developing gold-bearing mineral processing operations in Peru, to service government permitted small scale miners. In recent years the Peruvian government instituted a formalization process for informal miners as part of its efforts to regulate their activities. The Company, through its Peruvian subsidiary Chala One SAC, ("Chala One"), acquired a Peruvian mineral processing plant (the "Chala Plant"), which the Company successfully upgraded to approximately 100 tonnes per day ("TPD") capacity, and began commercial production in February 2015. The Company purchases high grade gold mill feed from legally recognized Peruvian artisanal and small scale miners and processes the material for export of gold concentrate or dore.

The Company continues to actively evaluate other potential mineral projects including additional mineral processing operations.

Inca One is listed for trading on the TSX Venture Exchange (the "TSX-V") under the symbol "IO", on the Frankfurt Stock Exchange under the symbol "SU9.F", and the Santiago Stock Exchange Venture under the symbol "IOCL".

Key Period Definitions (used below)

- three months ended July 31, 2017 ("**the Quarter**" or "**Q1 2018**");
- three months ended April 30, 2017 ("**Q4 2017**");
- three months ended January 31, 2017 ("**Q3 2017**");
- three months ended October 31, 2016 ("**Q2 2017**"); and
- three months ended July 31, 2016 ("**Q1 2017**").

First Quarter Highlights

During Q1 2018, the Company invested $441,465 in capital improvements at it's Chala One operations. The improvements included: $40,113 for completion of a powerline to connect the Chala Plant to the Peruvian power grid; $85,198 for the expansion of the tailing facility; and $259,664 for the acquisition of trucks to support the operations of the Chala Plant. These capital improvements and investments were critical, as the Company strives to improve operational margins.

The Company recovered $296,181 related to previously disallowed IGV refunds from SUNAT (the Peruvian government tax and customs authority), during Q1 2018.

During June and July 2017, the Company raised gross proceeds of $1,296,800 through two private placements and issued a total 12,968,000 units. Each unit was comprised of one common share and one-half of one transferable common share purchase warrant.

Operational Highlights

Quarter over Quarter highlights	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Variance % Q1 2018 to Q4 2017	Variance % Q1 2018 to Q1 2017
Tonnes processed in COGS (t)	5,711	5,401	6,970	2,860	2,399	5.8%	138.1%
Tonnes processed in period (t)	5,806	5,088	7,298	3,070	2,370	14.1%	144.9%
Average daily processing volume (t)1	63.1	58.5	79.3	33.4	25.8	7.9%	144.9%
Mineral grade processed (oz/t gold)	0.47	0.52	0.50	0.46	0.51	(9.7%)	(7.6%)
Gold sold (equivalent) (oz)	2,417	2,640	3,208	1,386	1,256	(8.5%)	92.4%
Gold sold (oz)	2,366	2,575	3,149	1,357	1,227	(8.1%)	92.9%
Silver sold (oz)	3,824	4,433	4,119	2,256	2,173	(13.8%)	75.9%
Sales revenue ($)	4,036,755	4,247,620	5,056,691	2,438,054	2,075,562	(5%)	94.5%
Cost of goods sold (“COGS”) ($)	4,197,084	4,130,304	5,594,639	1,880,835	2,394,169	1.6%	75.3%
Gross operating margin (deficit) ($)	(160,329)	117,316	(537,948)	557,219	(318,607)	(236.7%)	49.7%
Revenue per tonne ($)	707	786	725	853	865	(10.1%)	(18.3%)
Cost per tonne ($)	735	765	803	658	998	(3.9%)	(26.4%)
Gross margin per tonne ($)	(28)	22	(77)	195	(133)	(227.3%)	78.9%
Average gold price per oz sold ($)	1,670	1,609	1,576	1,759	1,652	3.8%	1.1%
Cost per oz sold ($)	1,737	1,564	1,744	1,357	1,906	11.0%	(8.9%)
Gross margin per oz sold ($)	(66)	44	(168)	402	(254)	(250.0%)	74.0%
Average London Close price ($)	1,648	1,654	1,593	1,721	1,674	(0.4%)	(1.5%)
Average London Close price ($USD)	1,247	1,242	1,196	1,312	1,291	0.4%	(3.4%)

Key operational highlights during Q1 2018 included:

- RESULTS: Total sales of $4,036,755 with total cost of goods sold of $4,197,084 resulting in a gross operating deficit of $160,329;
- TONNES AND GRADE: 5,806 tonnes of mineral was processed with an average gold grade of 0.47 oz/t, and an average daily processing volume of 63.1 TPD; and
- GOLD PRICE: Average gold price per ounce sold increased in Q1 2018 by 3.8% and 1.1% when compared to Q4 2017 and Q1 2017, respectively.
- INVENTORY: As at July 31, 2017, there was approximately 450 ounces of gold in inventory.

Future Outlook

The Company is moving forward with its business plan to focus on gold-bearing mineral processing facilities in Peru and believes that the Chala Plant operations will provide the necessary cash flow to achieve ongoing profitability in calendar 2017. The Company intends to expand its area of operations through the opening of storage facilities in northern Peru. These facilities will allow the Company to access new areas of higher grade mill feed. The Company intends to use the funds and net profits from mineral processing operations at the Chala Plant and additional fundraising as required, to execute its business plan and expand mineral processing operations so that it can continue to achieve its long-term objectives. The Company has been receiving regular monthly IGV refunds and doesn't anticipate any disruption in the tax refund process.

Selected Quarterly Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the unaudited condensed interim consolidated financial statements of the Company for the three months ended July 31, 2017 and 2016 and from the audited consolidated financial statements for the year ended April 30, 2017. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

	Three months ended		
	July 31, 2017	April 30, 2017	July 31, 2016
	$	$	$
Revenue	**4,036,755**	4,247,620	2,075,562
Cost of goods sold	**(4,197,084)**	(4,130,304)	(2,394,169)
Gross margin (deficit)	**(160,329)**	117,316	(318,607)
Finance and other (expense) income, net	**(81,434)**	160,650	(412,074)
Restructuring gain[(i)]	**296,181**	(365,353)	-
Net loss for the period	**(575,883)**	(666,558)	(1,281,939)
Net loss per share (basic and diluted)	**(0.01)**	(0.01)	(0.12)
Other comprehensive income (loss)	**(622,418)**	(1,006,898)	(219,452)

[(i)] During the three months ended on July 31, 2017, the Company recovered amounts receivable of $296,181 which were previously impaired as result of the restructuring process.

	July 31, 2017	April 30, 2017	July 31, 2016
	$	$	$
Total assets	**9,928,184**	9,607,454	8,665,436
Total current liabilities	**3,703,387**	3,414,655	12,085,800
Total long term liabilities	**3,377,701**	3,444,202	4,487,799
Dividends declared	**Nil**	Nil	Nil

The following table sets out selected quarterly financial data from the Company's unaudited quarterly financial statements for the last eight quarters.

Quarter ended	**Working capital (deficiency)**	**Total assets**	**Long term liabilities**	**Net loss**	**Basic loss per share**
	$	$	$	$	$
July 31, 2017	**(353,175)**	**9,928,184**	**3,377,701**	**(575,883)**	**(0.01)**
April 30, 2017	(710,470)	9,607,454	3,444,202	(666,558)	(0.01)
January 31, 2017	457,487	9,490,022	3,151,464	(2,211,970)	(0.04)
October 31, 2016	2,320,511	10,622,447	3,169,778	1,162,745	0.03
July 31, 2016	(9,382,607)	8,665,436	4,487,799	(1,281,939)	(0.12)
April 30, 2016	(7,645,085)	9,370,124	4,705,169	(2,405,901)	(0.28)
January 31, 2016	(5,960,657)	10,991,135	5,225,760	(2,656,596)	(0.28)
October 31, 2015	(2,215,694)	11,152,022	5,863,988	(1,928,949)	(0.14)

The Company improved its working capital deficiency position as at July 31, 2017 and compared to April 30, 2017 as a result of $668,081 increase in cash resulting from several equity financings and the receipt of IGV payments. These increases were offset by an increase of $288,732 in current liabilities due to an increase in several capital improvement projects that were ongoing at July 31, 2017.

Results of Operations – Q1 2018 compared to Q1 2017

Revenue for Q1 2018 was $4,036,755 (Q1 2017 - $2,075,562) and cost of goods sold was $4,197,084 (Q1 2017 – 2,394,169) resulting in a gross operating deficit of $160,329 (Q1 2017 – gross operating deficit of $318,607). The gross operating deficit decreased during the Quarter, as compared to Q1 2007, due to a decrease in the production costs per ounce of gold and an increase in tonnes processed and ounces of gold produced.

During Q1 2018, the Company reported a net loss of $575,883 a significant improvement from the net loss of $1,281,939 during Q1 2017. The most significant components of the improvement were the reversal of $296,181 relating to IGV refunds that were impaired in a prior period and a significant reduction in finance and other expenses that were recorded in Q1 2017.

Corporate and administrative expenses increased $79,043 to $630,301 compared to $551,258 in Q1 2017. This increase was a result of an increase in office, rent, insurance and other expenses during Q1 2018 of $59,585 to $127,018 compared to $67,433 in Q1 2017. The increase was attributed to the additional administrative expenses required to support the ramp-up of production. Additionally, there was an increase in depreciation expense of $31,363 to $35,831 from $4,468 in Q1 2017.

Other notable changes to administrative expenses in Q1 2018, were a decrease in professional fees of $40,994 to $96,131 from $137,125 in Q1 2017. This decrease was partially offset by an increase in management fees and salaries during Q1 2018 of $33,398 to $284,135 compared to $250,737 in Q1 2017 and as a result of replacing higher priced professional services with in-house employees.

Liquidity and Capital Resources

The Company has financed its operations and met its capital requirements primarily through the issuance of capital stock by way of private placements. As at July 31, 2017, the Company had cash of $719,974 representing a increase of $668,081 compared with cash of $51,893 at April 30, 2017.

The Company reported working capital deficiency of $353,175 at July 31, 2017 as compared to working capital deficiency of $710,470 as at April 30, 2017.

Management intends to finance operating costs over the year with funds received from operations and additional funds from equity financing as required for working capital to support the operational ramp-up.

Share Issuances

Share capital transactions for the three months ended July 31, 2017, were as follows:

- On June 12, 2017, the Company closed the first tranche of its announced private placement and issued 11,000,000 units (the "Units") for gross proceeds of $1,100,000 or $0.10 per Unit. Each Unit is comprised of one common share and one-half of one transferable common share purchase warrant.

- On July 7, 2017, the Company closed the second tranche of its announced private placement and issued 1,968,000 Units for gross proceeds of $196,800 or $0.10 per Unit. Each Unit is comprised of one common share and one-half of one transferable common share purchase warrant.

Subsequent to Q1 2018, (August 15, 2017), the Company closed the third and final tranche of its private placement announced on June 9, 2017 and issued 9,055,000 Units for gross proceeds of $ 905,500 or $0.10 per Unit. Each Unit is comprised of one common share and one-half of one transferable common share purchase warrant

Summary of Outstanding Share Data

As at the date of this MD&A, the Company had 81,339,401 common shares issued outstanding and 7,012,500 share purchase options and 49,288,476 warrants outstanding (with exercise prices ranging between $0.10 and $3.01 per share). The fully diluted shares outstanding at the date of this MD&A is 137,640,377.

Transactions with Related Parties

(a) Related Party Transactions

The Company's related parties consist of the Company's directors, officers, former officers and companies associated with these individuals including the following:

- A company owned by Edward Kelly, the Company's President (also a director).
- A company controlled by Oliver Foeste, the Company's former CFO.
- A company owned by both George Moen, the Company's former Chief Operating Officer and Mark Wright, the Company`s VP Operations & New Projects.
- A company owned by Mark Wright, the Company`s VP Operations & New Projects.

The following expenditures were charged by related parties for the three months period ended July 31, 2017 and 2016:

	July 31, 2017	July 31, 2016
	$	$
Professional fees	**26,504**	23,378
Consulting and management fees	**102,969**	106,500
Director fees	**7,500**	-
Finance costs	**-**	76,834
Office rent	**18,813**	11,250
	155,786	217,962

Professional fees were paid to a company controlled by the former CFO. Consulting and management fees were paid to companies controlled by the President, former CFO and VP Operations & New Projects. Finance costs on interest bearing debt instruments were paid or accrued to companies controlled by the President and to a company controlled by a director. Office rent was paid or accrued to a company controlled by the former CFO.

(b) Compensation of Key Management Personnel

The Company's key management personnel has authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, President, CFO, former CFO, former COO and VP Operations & New Projects. Compensation in respect of services provided by key management consists of consulting and management fees paid to companies controlled by the President, former CFO, former COO and VP Operations & New Projects, accounting fees paid to companies controlled by a director or company controlled by the former CFO, and by the issue of options. The compensation for key management personnel paid as management, accounting and former CFO fees was $129,473 for the three months ended July 31, 2017 (July 31, 2016 – 129,878). There was no other compensation paid or payable to key management for employee services.

(c) Related Party Balances

All related party balances payable, including for business expenses reimbursements, interim advances to the Company, annual bonuses as approved by the board of directors, and for services rendered as at July 31, 2017 are non-interest bearing and payable on demand, and are comprised of $105,186 (April 30, 2017 - $90,564) payable to the President and a company controlled by the President, $136,968 (April 30, 2017 - $66,177) payable to the former CFO or a company controlled by the former CFO, $38,319 (April 30, 2017 - $40,124) payable to the VP Operations & New Projects or a company controlled by the VP Operations & New Projects and $54,661 receivable, net of $20,339 payable (April 30, 2017 - $15,939) payable to a companies controlled by directors.

Pursuant to the Company's Restructuring, the majority of all director and officers advances owing at August 26, 2016 (the restructuring date) were settled during the year ended April 30, 2017.

Commitments

In addition to the commitments in connection with the Company's financings (note 11), the Company has a three-year rent agreement for its corporate office in Lima, Peru, with a monthly payment of USD$4,210 and termination date on July 31, 2018.

During the three months ended July 31, 2017 the Company had a commitment through a purchase and sale contract to sell approximately 640 ounces of gold dore to a third party, which would be settled at a future date in either cash or through the delivery of gold. At July 31, 2017, the fair value of amounts owing under this contract was $1,012,823 (April 30, 2017 - $1,011,291) and is included in deferred revenue on the condensed interim consolidated financial statements.

A summary of undiscounted liabilities and future operating commitments at July 31, 2017 are as follows:

	Total	Within One Year	One to Five Years
Maturity analysis of financial liabilities	**$**	$	$
Accounts payable and accrued liabilities	**2,540,744**	2,540,744	-
Promissory notes payable and mineral notes	**149,820**	149,820	-
Mineral notes payable	**60,134**	-	60,134
Secured debentures	**2,737,050**	-	2,737,050
	5,487,748	2,690,564	2,797,184
Commitments			
Office lease rental	**63,074**	63,074	-
Gold sale contract deferred revenue	**1,012,823**	1,012,823	-
Asset retirement and reclamation obligations	**580,517**	-	580,517
	1,656,414	1,075,897	580,517
	7,144,162	3,766,461	3,377,701

Contingent Debenture

As a result of the Restructuring and Debt Settlement, the Company issued a USD$779,309 contingent debenture certificate (the "Contingent Debenture"), which only becomes payable on the date that the Company achieves two production milestones including (i) achieving 300 tonnes per day mineral processing capacity in Peru, and (ii) achieving three months of 200 tonnes per day average daily production. Upon re-instatement, the Contingent Debenture will have a 12% annual interest rate paid quarterly in arrears, twelve month term to maturity, certain early redemption features, and a general security agreement will be issued. If the performance milestones are not achieved before August 31, 2026, the Contingent Debenture will be cancelled. As at July 31, 2017 the value of the contingent debenture was $nil.

Off-Balance Sheet Arrangements

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

Critical Accounting Policies and Estimates

The preparation of the Company's consolidated financial statements in accordance with IAS 1, *Presentation of Financial Statements*, requires management to make certain critical accounting estimates and to exercise judgment that affect the accounting policies and the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

Significant accounting judgments that Management has made in the process of applying accounting policies which it considers have had the most significant effect on the amounts recognized in the consolidated financial statements include, but are not limited to going concern, title to and economic recoverability and probability of future economic benefits of exploration and evaluation assets, date of commencement of commercial production, and determination of functional currency. Management considers the areas currently requiring a significant degree of estimation and assumption and which have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year, to include, but not be limited to, the value attributed to share-based compensation, convertible debentures and debentures with warrants, marketable securities, asset retirement and reclamation obligation, and deferred taxes.

These accounting policies and estimates are further discussed in the Company's annual audited consolidated financial statements at April 30, 2017.

Risks and Uncertainties

Mineral processing and natural resources exploration, development, and production involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational Risks:

The Company continuously monitors and responds to changes in operational risks, such as those noted below, and seeks to adhere to all regulations governing its operations.

Mineral Supply: The Company may not be able to source sufficient mill feed to economically operate the Chala Plant. In particular the Company currently sources material exclusively from third party sources and faces a competitive marketplace for purchase of supply from Peruvian government-approved mineral sources. Consequently the Company does not have control over the mineral grade, metallurgical recovery, nor quantities received, noting that the Company mitigates this risk by working with minimum cut-off purchase grades, providing fair terms to their customers, and sourcing material form established suppliers to ensure best efficiency and profitability of its plant operation.

Production Schedules: In relation to the mineral supply risks, no assurances can be provided that production schedules at the Chala Plant, and the related operating margins and cash flows, are achieved, noting that failure to meet these schedules can have an adverse impact on the Company's profitability, results of operations, cash flows, and overall financial conditions.

Qualified Staff: Due to the competitive marketplace, the Company may have difficulty in hiring and retaining skilled employees and contractors to source sufficient mineral feed, operate the Chala Plant effectively (noting the diversity of mill feed received), and effectively administer the Peruvian permitting, compliance, exportation, and regulatory functions.

Regulations, Permits, and Hazards: The Company must also manage changing governmental laws and regulations, and the Company cannot guarantee title to its properties and permits. The Company must also contend with environmental hazards (including discharge of pollutants or hazardous chemicals), as well as industrial accidents and occupational and health hazards, mechanical failures, the unavailability of materials and equipment, and lack of accessibility to required expertise.

Resource Properties: The Company may not be able to find and develop resource properties economically. In addition the Company may have to deal with development and mining issues including pit slope failures, unusual or unexpected rock formations, poor or unexpected geological or metallurgical conditions, poor or inadequate ventilation, failure of mine communication systems, poor water conditions, interruptions to gas and electricity supplies, human error and adverse weather conditions.

Acquisitions: There is no assurance that the Company will acquire additional mineral properties and/or processing plants and any acquisitions may expose the Company to new risks, and the mining industry is intensely competitive for the acquisition of new properties and plants.

Financial risks:

Financial risks include commodity prices, interest rates and fluctuating foreign exchange rates, all of which are beyond the Company's control. Additional financial risks are the Company's ability to raise capital to continue funding its operations.

Regulatory risks:

Regulatory risks include the possible delays in getting regulatory approval to, and permits for, the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings, the introduction of ever more complex reporting requirements the cost of which the Company must meet in order to maintain its exchange listing.

Financial Instruments and Risk:

For a description of the risks faced by the Company with respect to financial instruments, see the Company's condensed interim consolidated financial statements for the three months ended July 31, 2017.

Cautionary Note Regarding Forward-Looking Information

This MD&A contains forward-looking statements. All statements, other than statements of historical fact, constitute "forward-looking statements" and include any information that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including the Company's strategy, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance.

Forward-looking statements are generally identifiable by the use of the words "may", "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. All such forward-looking information and statements are based on certain assumptions and analyses made by the Company's management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements, however, are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed, implied by or projected in the forward-looking information or statements.

Important factors that could cause actual results to differ from these forward-looking statements include but are not limited to: risks related to the exploration and potential development of the Company's projects, risks related to international operations, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of minerals, as well as those factors discussed in the sections relating to risk factors of the Company set out in this MD&A.

There can be no assurance that any forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. Except as required by law, the Company does not intend to revise or update these forward-looking statements after their date of issue, or to revise them to reflect the occurrence of future unanticipated events.

Disclosure Controls and Procedures

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim consolidated financial statements for the three months ended July 31, 2017 and this accompanying MD&A (together, the "Interim Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.