



MANAGEMENT DISCUSSION AND ANALYSIS

For the Years Ended April 30, 2018 and 2017

Report Dated July 31, 2018

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

This Management's Discussion and Analysis ("MD&A") of Inca One Gold Corp. (the "Company" or "Inca One") has been prepared by management as of July 31, 2018, and should be read in conjunction with the Company's audited consolidated financial statements of for the years ended April 30, 2018 and 2017 and the related notes thereto. This MD&A has been reviewed and approved by the Board of Directors of the Company. Unless otherwise specified, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise. References to US\$ are to United States dollars.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described in "**Risks and Uncertainties**" and "**Cautionary Statement on Forward-Looking Information**" at the end of this MD&A.

Description of the Business

Inca One was incorporated on November 9, 2005 and 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 doré.

The Company is actively evaluating other potential mineral projects including additional mineral processing operations.

Inca One is listed 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 April 30, 2018 ("**the Quarter**" or "**Q4 2018**");
- three months ended January 31, 2018 ("**Q3 2018**")
- three months ended October 31, 2017 ("**Q2 2018**")
- three months ended July 31, 2017 ("**Q1 2018**");
- three months ended April 30, 2017 ("**Q4 2017**");
- year ended April 30, 2018 ("**YE 2018**"); and
- year ended April 30, 2017 ("**YE 2017**");

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

YE 2018 Highlights and Key Business Developments

- On July 13, 2018 the Company entered into a definitive purchase agreement to acquire 100% ownership of Anthem United Inc., which owns a 90.14% interest in the 350 tonnes per day (“TPD”) Koricancha ore processing facility in Peru (“Koricancha”), from Equinox Gold Corp. (TSXV: EQX) (“Equinox”) for cash and shares totaling approximately \$16.3 million, less any IGV tax credits collected to the benefit of Inca One. Koricancha is located approximately 50km from the Company’s Chala One mineral processing plant and should give rise to cost synergies and provide a platform for growth.
- During Q4 2018, the Company reached an agreement with certain debt holders to restructure (“Restructuring and Debt Settlement”) a total of \$2.7 million of its debt for a combination of shares, warrants and a new debt. Under the terms of the agreements \$1.1 million was converted into 18,020,484 shares of the Company and a new secured debenture was issued for \$1.6 million. As consideration for this restructuring, the Company issued 1,066,667 shares and 1,066,667 warrants with an exercise price of \$0.10.
- During April 2018, the Company’s processed above 100 TPD for 16 days with its highest production level reaching 116 TPD.
- During YE 2018, the Company processed 23,537 tonnes compared to 17,629 in YE 2017, an increase of 33%.
- During January 2018, the Company completed a private placement for gross proceeds of \$2.3 million through the issuance of 46,000,000 units. Each unit was comprised of one common share and one transferable common share purchase warrant. The proceeds from the financing were used to purchase gold bearing ore inventory, operational supplies and for capital improvements to the crushing and desorption circuits, all of which allowed the Chala Plant to support production of 100 TPD.
- During Q3 2018, the Company entered into an agreement to sell refined gold to a North American metals trading company. As part of this agreement, the Company gained access to an advance payment facility which allows the Company to receive advance payments of US\$0.4 million up to three weeks in advance of gold doré export. These advance payments provide working capital to purchase gold bearing ore and help the Company achieve production throughput of 100 tonnes per day.
- During Q1 2018 and Q2 2018, the Company completed private placements for gross proceeds of \$2.1 million through the issuance of 22,023,000 units. Each unit was comprised of one common share and one-half of one transferable common share purchase warrant. The proceeds from the financing were used for working capital and capital improvements at its Chala One operations, including the completion of a powerline to connect the Chala Plant to the Peruvian power grid, the expansion of the tailings facility by approximately 90,000 cubic meters or approximately 3 years and the acquisition of pickup trucks and a dump truck to support the operations of the Chala Plant.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Operational Highlights

Quarter over Quarter highlights	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Variance % Q4 2018 to Q3 2018	Variance % Q4 2018 to Q4 2017
Tonnes processed in COGS (t)	6,416	5,316	6,094	5,711	5,401	20.69%	18.80%
Tonnes processed in period (t)	6,699	5,254	5,965	5,806	5,088	27.50%	31.66%
Average daily processing volume (t)	78.4	61.5	64.8	63.1	58.5	27.5%	33.97%
Mineral grade processed (oz/t gold)	0.53	0.48	0.54	0.47	0.52	10.51%	1.32%
Gold sold (equivalent) (oz)	2,658	2,290	2,846	2,417	2,640	16.08%	0.68%
Gold sold (oz)	2,587	2,226	2,782	2,366	2,575	16.22%	0.47%
Silver sold (oz)	5,664	4,901	4,853	3,824	4,433	15.57%	27.76%
Sales revenue (\$)	4,507,222	3,722,442	4,633,939	4,036,755	4,247,620	21.08%	6.11%
Cost of goods sold ("COGS") (\$)	4,605,940	3,934,820	4,573,902	4,197,084	4,130,304	17.06%	11.52%
Gross operating margin (deficit) (\$)	(98,718)	(212,378)	60,037	(160,329)	117,316	53.52%	(184.15%)
Revenue per tonne (\$)	702	700	760	707	786	0.33%	(10.68%)
Cost per tonne (\$)	718	740	751	735	765	(3.01%)	(6.13%)
Gross margin per tonne (\$)	(15)	(40)	10	(28)	22	62.50%	(168.18%)
Average gold price per oz sold (\$)	1,696	1,625	1,628	1,670	1,609	4.31%	5.39%
Cost per oz sold (\$)	1,733	1,718	1,607	1,737	1,564	0.84%	10.76%
Gross margin per oz sold (\$)	(37)	(93)	21	(66)	44	60.22%	(184.09%)
Average London Close price (\$)	1,697	1,638	1,615	1,648	1,654	3.62%	2.57%
Average London Close price (\$USD)	1,330	1,295	1,292	1,247	1,242	2.74%	7.07%

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Key operational highlights during YE 2018 included:

- **TONNES AND GRADE:** 23,724 tonnes (YE 2017 - 17,826 tonnes) of mineral was processed with an average gold grade of 0.51 oz/t (YE 2017 0.50oz/t), and an average daily processing volume of 75.8 TPD (YE 2017 – 58.3 TPD); and
- **INVENTORY:** As at April 30, 2018, there were approximately 2,212 ounces of gold in inventory, of which 533 ounces were at a refinery in Switzerland, gold doré of 248 ounces pending to be exported, 401 ounces were in process inventory and 1,030 ounces were in the ore stockpile.

Acquisition of the Koricancha Processing Facility in Peru

Subsequent to the year-ended April 30, 2018, on July 13, 2018 the Company entered into a definitive purchase agreement (the “Purchase Agreement”) to acquire 100% ownership of Anthem United Inc. (“Anthem”), which owns a 90.14% interest in the 350 TPD Koricancha ore processing facility in Peru, from Equinox for cash and shares totaling approximately \$16.3 million, less any IGV tax credits collected to the benefit of Inca One. Koricancha is located approximately 50km from the Company’s Chala One mineral processing plant and should give rise to cost synergies and provide a platform for growth.

Under the terms of the Purchase Agreement, Inca One will acquire a 90.14% ownership of Koricancha (the “Transaction”) from Equinox and certain minority shareholders and terminate the 3.5% gold stream currently payable by Koricancha for total consideration as follows:

- \$6 million payable by the issuance of 110,050,225 common shares of Inca One (“Inca One Shares”) on completion of the Purchase Agreement at a deemed price of \$0.055 per common share, of which 51,269,708 Inca One Shares shall be issued to Equinox, 51,269,708 Inca One Shares shall be issued to SA Targeted Investing Corp. (“SATC”) a subsidiary of Sandstorm Gold Ltd. (TSX: SAND) in consideration for the termination of the gold stream and the remaining Inca One Shares shall be issued to certain minority shareholders who hold an interest in Koricancha.
- \$2.5 million payment to Equinox on the first anniversary of the completion of the Purchase Agreement to be paid in cash or Inca One Shares at the discretion of Inca One, based on the higher of \$0.065 per share and the preceding 20-day volume weighted average price of Inca One Shares, subject to Equinox’s ownership of Inca One Shares not exceeding 19.99% of the outstanding Inca One Shares (the “Equinox Ownership Limit”).
- \$2.5 million payment to Equinox on the second anniversary of the completion of the Purchase Agreement to be paid in cash or Inca One Shares at the discretion of Inca One, based on the higher of \$0.065 per share and the preceding 20-day volume weighted average price of Inca One Shares, subject to the Equinox Ownership Limit.
- \$1.5 million payment to Equinox in cash on the second anniversary of the completion of the Purchase Agreement.
- \$2.5 million payment to Equinox on the third anniversary of the completion of the Purchase Agreement to be paid in cash or Inca One Shares at the discretion of Inca One, based on the higher of \$0.065 per share and the preceding 20-day volume weighted average price of Inca One Shares, subject to the Equinox Ownership Limit.
- Payment in cash to Equinox on or before the third anniversary of the completion of the Purchase Agreement for the difference between the amount of working capital at closing and US\$3 million and certain payments related to outstanding value-added taxes receivable by Koricancha, subject to receipt.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

The Company estimates the amount of working capital on closing of at least US\$4 million and therefore US\$1 million (\$1.3 million) estimated payable on the third anniversary.

- As part of the Transaction, the Company is acquiring approximately US\$4.2 million in historical IGV related to the construction of Koricancha and has agreed to pay Equinox for 50% of amounts collected less costs to collect, the remainder of which is for the benefit of the Company.

In connection with the Transaction, the 3.5% gold stream currently payable by Koricancha will be terminated and, as a result, production from Koricancha will not be subject to any precious metal streams or royalties thereby maximizing revenues for our shareholders. Additionally, Equinox will be entitled to one seat on the Company's Board of Directors and an equity participation right equal to their ownership so long as they hold in excess of 9.9% of Inca One's outstanding shares. Inca One will also grant Equinox security over the non-interest bearing deferred payments by way of a pledge of the shares of Anthem.

Koricancha is a custom built, fully operational, industrial gold ore processing facility strategically situated in the Arequipa region of Peru. It is located at sea level, fully serviced by excellent infrastructure just 10 minutes from the Pan American Highway, within the Nazca-Ocona gold belt in Southern Peru. It is permitted for 350 TPD and currently operating at 150 TPD. In the past six months, the Koricancha plant has produced 10,767 ounces of gold and revenue of US\$14.4 million. Koricancha was first commissioned in July 2015 under the ownership of Anthem United Ltd. and achieved commercial production on October 1, 2015. It has been servicing the small-scale mining sector of Peru for three years and has a stockpile of material currently being processed. The fully integrated plant features a carbon-in-leach gold circuit, and it is a condition of the Transaction that there will be at least US\$3 million of existing working capital in place that Inca One will deploy toward ore purchases as required.

The closing of the Transaction is subject to approval by the TSX Venture Exchange and satisfaction or waiver of other customary conditions.

In connection with the Transaction, Equinox will acquire 51,269,708 Inca One Shares and SATIC will acquire 51,269,708 Inca One Shares, each representing 19.99% of the Inca One Shares that will be issued and outstanding upon completion of the Transaction, at a deemed price of \$0.055 per share. Prior to completion of the Transaction, neither Equinox nor SATIC owned any Inca One Shares or other securities of Inca One. Equinox and SATIC are acquiring the Inca One shares for investment purposes only. Depending upon market and other conditions, or as future circumstances may dictate, either or both of Equinox and SATIC may, respectively, from time to time, increase or decrease their holdings of Inca One Shares or other securities of Inca One.

Future Outlook

The Company believes that with the Chala Plant operating at or near its permitted capacity of 100 TPD and with the expected completion of the acquisition of Koricancha, that it will establish itself as the leader for publicly listed gold processing companies in Peru, with 450 TPD permitted capacity. Highlights of the Koricancha acquisition include:

- **Accretive acquisition before synergies:** anticipated increases in Inca One's revenues based on the three months ended April 30, 2018 of 186% and throughput by 150%, while increasing shares outstanding by only 75%.
- **Increases revenues:** historical revenues for the three months ending April 30, 2018 for Inca One and Koricancha were approximately US\$3.5 million and US\$6.5 million respectively.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

- **Increases production:** immediately more than doubles Inca One's current throughput from 100 TPD to approximately 250 TPD.
- **Cost synergies:** reduction in Canadian corporate overhead unit costs, reduction in duplicate regional offices and the potential for centralized purchasing, crushing, desorption, smelting services and other operating efficiencies.
- **Platform for growth:** Koricancha is permitted to 350 TPD with current throughput of 150 TPD, providing excess capacity to increase consolidated throughput by 80% to 450 TPD.
- **Diversifies production:** the acquisition of Koricancha adds a second Peruvian processing facility.
- **Significant working capital addition:** additional working capital to fund ore purchases de-risks operations at both plants.
- **Enhances scale and capital markets profile:** Equinox, a new significant and supportive long-term shareholder that is a leader in the mining space, will hold 19.99% of the common shares of the Company post completion.

The combined working capital of the Company and Koricancha is expected to be in excess of US\$5 million. The Company believes that this will allow the combined companies to maintain a minimum of 250 TPD and at the same time allow for organic growth. The Company is confident that with both the Chala Plant and Koricancha operations it should be able to achieve ongoing profitability in the fiscal 2019.

Selected Quarterly and Annual Information

The following selected financial data with respect to the Company's financial condition and results of operations has been derived from the audited consolidated financial statements of the Company for the years ended April 30, 2018, 2017 and 2016 as applicable. The selected financial data should be read in conjunction with those financial statements and the notes thereto.

	Years ended April 30,		
	2018	2017	2016
	\$	\$	\$
Revenue	16,900,358	13,817,927	16,482,179
Cost of goods sold	(17,311,746)	(13,999,947)	(17,762,752)
Gross margin (deficit)	(411,388)	(182,020)	(1,280,573)
Finance and other (expense) income, net	(766,833)	(916,025)	(3,104,957)
Reversal of prior year impairments	347,864	-	-
Restructuring gain (loss) ⁽ⁱ⁾	(211,585)	608,828	-
Net loss for the year	(4,049,362)	(2,997,722)	(7,572,530)
Net loss per share (basic and diluted)	(0.04)	(0.07)	(0.75)
Other comprehensive income (loss)	(479,034)	(309,035)	285,269

⁽ⁱ⁾ During the YE 2018, the Company recovered amounts receivable of \$296,181 which were previously impaired as result of the 2017 restructuring process.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

	2018	As at April 30, 2017	2016
	\$	\$	\$
Total assets	12,136,266	9,607,454	9,370,124
Total current liabilities	4,474,159	3,414,655	11,154,439
Total long term liabilities	3,579,016	3,444,202	4,705,169

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
	\$	\$	\$	\$	\$
April 30, 2018	996,366	12,136,266	3,579,016	(1,418,645)	(0.01)
January 31, 2018	(1,937,428)	11,021,529	631,219	(1,116,356)	(0.01)
October 31, 2017	(3,215,401)	10,111,723	651,418	(938,478)	(0.01)
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)

Working capital at April 30, 2018 increased by \$2.9 million from January 31, 2018. The increase was due mainly to the settlement of approximately \$1.1 million of secured debt for equity and the reclassification of \$1.3 million of derivative financial liabilities from current liabilities to non-current liabilities.

Results of Operations

Three months ended April 30, 2018 compared to three months ended April 30, 2017

Revenue for Q4 2018 was \$4.5 million (Q4 2017 - \$4.2 million) and cost of goods sold was \$4.6 million (Q4 2017 - \$4.1 million) resulting in a gross operating deficit of \$0.1 million (Q4 2017 - gross operating margin of \$0.1 million). The gross operating deficit remained relatively flat during the Quarter, as compared to Q4 2017 reflecting an under utilized Chala Plant.

During Q4 2018, the Company reported a net loss of \$1.4 million a significant increase in loss compared to a net loss of \$0.7 million during Q4 2017. This change is partially explained by the combination of:

- The increase in corporate and administrative expenses by \$0.35 million (Q4 2018 - \$0.93 million compared to Q4 2017 - \$0.58 million), which is mainly explained by an increase in management fees, salaries and professional fees of \$0.2 million (Q4 2018 - \$0.6 million compared to Q4 2017 - \$0.4 million) and an increase in investor relations and regulatory fees of \$0.12 million (Q4 2018 - \$0.13 million compared to Q4 2017 - \$0.01 million); and

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

- b) The decrease in foreign exchange gain by \$0.44 million (Q4 2018 - \$0.01 million compared to Q4 2017 - \$0.45 million) due to more stable currency fluctuations between the Canadian dollar and the US and Peruvian currencies.

Year ended April 30, 2018 compared to year ended April 30, 2017

Revenue for YE 2018 was \$16.9 million (YE 2017 - \$13.8 million) and cost of goods sold was \$17.3 million (YE 2017 - \$14 million) resulting in a gross operating deficit of \$0.4 million (YE 2017 - gross operating deficit of \$0.2 million).

During YE 2018, the Company reported a net loss of \$4 million, an increase of \$1.0 million from the net loss of \$3.0 million reported during YE 2017. The increase in loss was mostly attributable to the combined effect of a reduction of \$0.8 million in gain for restructuring (YE 2018 expense of \$0.2 million compared to YE 2017 gain of \$0.6 million), an increase in gain related to reversal of prior year impairments \$0.35 million (YE 2018 - \$0.35 million compared to YE 2017 - \$nil) and an increase in corporate and administrative expense of \$0.5 million (YE 2018 - \$3.0 million compared to YE 2017 - \$2.5 million).

Corporate and administrative expenses increased \$0.5 million during YE 2018 (YE 2018 - \$3.0 million compared to YE 2017 - \$2.5 million). This increase was mainly attributable to the combined effect of an increase in management fees, salaries and professional fees of \$0.2 million (YE 2018 - \$1.7 million compared to YE 2017 - \$1.5 million) and an increase of \$0.2 million in investor relations and regulatory fees (YE 2018 - \$0.5 million compared to YE 2017 - \$0.3 million).

Liquidity and Capital Resources

As at April 30, 2018, the Company has financed its operations and met its capital requirements primarily through operational cash flow re-investment at the Chala One plant and the issuance of capital stock by way of private placements. The Company had cash of \$0.34 million at April 30, 2018, representing an increase of \$0.29 million compared with cash of \$0.05 million at April 30, 2017.

The Company reported a working capital of \$1.0 million at April 30, 2018 as compared to a working capital deficiency of \$0.7 million at April 30, 2017.

Management intends to fund operating and administration costs and debt and debt service costs over the year with the proceeds from gold doré sales at the Company's Chala Plant and from Koricancha (after closing of the Transaction), from debt and equity financing and proceeds from option and warrant exercises. Notwithstanding these proceeds the Company expects to continue to be dependent on its capital resources which are largely determined by the strength of the junior resource markets, by the status of the Company's projects in relation to these markets and by its ability to compete for investor support of its projects.

Debt Restructuring and Debt Settlement

As a result of the Restructuring and Debt Settlement of \$2.7 million, on March 29, 2018 the Company issued a \$1.6 million secured debenture with a maturity date on September 1, 2021, which bears an interest rate of 11% per annum, and has priority security over the assets of the Company (the "CAD Secured Debenture"). Principal is due on maturity, and the Company is required to make quarterly interest payments commencing on September 1, 2018. Accrued interest of \$0.02 million has been included in accounts payable at April 30, 2018.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Share Issuances

On August 16, 2016, the Company consolidated its capital on a one-for-seven basis. Effective August 19, 2016, the Company's common shares commenced trading on a consolidated basis. For the purpose of these financial statements the capital and per share amounts have been restated to present the post consolidated capital basis. At April 30, 2018, there were 146,426,552 issued and fully paid common shares (April 30, 2017 – 59,316,401, post consolidation).

Share capital transactions for the year ended April 30, 2018, were as follows:

- On June 12, 2017, the Company closed the first tranche of a 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 a 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.
- On August 15, 2017 the Company closed the third and final tranche of a private placement 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.
- On January 30, 2018 the Company closed a private placement and issued 46,000,000 Units for gross proceeds of \$2,300,000 or \$0.05 per Unit. Each Unit is comprised of one common share and one transferable common share purchase warrant.

Summary of Outstanding Share Data

As at the date of this MD&A, the Company had 146,426,552 common shares issued outstanding and 11,135,262 share-based options and 95,821,809 warrants outstanding (with exercise prices ranging between \$0.075 and \$3.01 per share). The fully diluted shares outstanding at the date of this MD&A is 253,383,623.

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 CEO (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.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

The following expenditures were charged by related parties during the year ended April 30, 2018 and 2017:

	Years ended April 30,	
	2018	2017
	\$	\$
Accounting and professional fees	26,504	100,897
Management salaries and consulting fees	477,969	470,080
Restructuring fees	-	535,000
Director fees	36,166	17,939
Share-based payments	97,552	463,369
Finance costs	-	40,544
Rent	18,813	47,250
	657,004	1,675,079

Accounting and professional fees were paid to a company controlled by the former CFO. Consulting and management fees were paid to companies controlled by the CEO, former CFO and VP Operations & New Projects. Finance costs on interest bearing debt instruments were paid or accrued to companies controlled by the CEO 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 have authority and responsibility for planning, directing and controlling the activities of the Company and includes the Directors, CEO, 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 CEO, 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 for the year ended April 30, 2018 and 2017 as follows:

	Years ended April 30,	
	2018	2017
	\$	\$
Management fees	477,969	470,080
Salaries	233,933	-
Restructuring fees	-	535,000
Share-based payments	97,552	463,369
	809,454	1,468,449

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

(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 April 30, 2018 are non-interest bearing and payable on demand, and are comprised of \$0.16 million (April 30, 2017 - \$0.09 million) payable to the President and a company controlled by the President, \$0.03 million (April 30, 2017 - \$0.04 million) payable to the VP Operations & New Projects or a company controlled by the VP Operations & New Projects, \$0.11 million (April 30, 2017 - \$nil) payable to the CFO and \$0.03 million receivable, net of \$0.05 million payable (April 30, 2017 - \$0.06 million receivable, net of \$0.02 million payable) to the Directors or companies controlled by the Directors.

Commitments

In addition to the commitments in connection with the Company's financings, the Company has a three-year rent agreement for its corporate office in Lima, Peru, with a monthly payment of USD\$4,466 and termination date on July 31, 2018.

During the year ended April 30, 2018 the Company had commitments through purchase and sale contracts to sell approximately 742 ounces of gold doré to a third party, which would be settled at a future date in either cash or through the delivery of gold. At April 30, 2018, the fair value of amount owing under these contracts was estimated to be \$1.26 million and (April 30, 2017 - \$1.01 million) and is included in non-current derivative financial liability.

As at April 30 2018 the Company had commitments to sell approximately 533 ounces of gold doré to third parties, which would be settled in the subsequent month through the delivery of gold. At April 30, 2018 the fair value of these commitments was \$0.85 million; likewise, the company received advances of \$0.52 million to be offset against future sales of gold doré. Both amounts, totaling \$1.37 million (April 30, 2017 - \$nil) have been included as current deferred revenues.

A summary of undiscounted liabilities and future operating commitments at April 30, 2018 are as follows:

	Total	Within One Year	One to Five Years
Maturity analysis of financial liabilities	\$	\$	\$
Accounts payable and accrued liabilities	2,722,579	2,722,579	-
Mineral notes payable	62,415	-	62,415
Secured debentures	1,904,720	385,080	1,519,640
	4,689,714	3,107,	1,582,055
Commitments			
Office lease rental	17,197	17,197	-
Gold sale deferred revenue	1,366,500	1,366,500	-
Gold sale contract deferred revenue	1,250,733	-	1,250,733
Asset retirement and reclamation obligations	746,228	-	746,228
	3,380,658	1,383,697	1,996,961
	8,070,372	4,491,356	3,579,016

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Contingent Debenture

As a result of the 2016 Restructuring and Debt Settlement, the Company issued a USD\$0.78 million 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 April 30, 2018 the value of the contingent debenture was \$nil.

Financial Instruments

As at April 30, 2018, the Company’s financial instruments consist of cash, receivables, accounts payable and accrued liabilities, promissory notes payable, derivative financial liabilities, secured debentures and mineral notes. Cash and other receivables are designated as loans and receivables, which are measured at amortized cost. Accounts payable and accrued liabilities, promissory notes payable, secured debentures and mineral notes are designated as other financial liabilities, which are measured at amortized cost. Derivative financial liabilities are measured at fair value

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Inputs for the asset or liability that are not based on observable market data.

As at April 30, 2018, the Company believes that the carrying values of cash, receivables, accounts payable and accrued liabilities, promissory notes payable, deferred revenue, secured debentures and mineral notes approximate their fair values because of their nature and relatively short maturity dates or durations or their interest rates approximate market interest rates. The gold delivery contracts, being a derivative financial liability have been assessed on the fair value hierarchy described above and are classified as Level 2.

The Company’s financial instruments are exposed in varying degrees to a variety of financial risks. The Board approves and monitors the risk management processes:

(i) Credit risk

Credit risk exposure primarily arises with respect to the Company’s cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high credit worthiness within Canada and continuously monitors the collection of other receivables.

(ii) Liquidity risk

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to settle obligations and liabilities when they become due. As at April 30 2018, the Company had cash of \$0.34 million (April 30, 2017 - \$0.05 million) and current working capital of \$1 million (April 30, 2017 - \$0.71 million) with total liabilities of \$8.1 million (April 30, 2017 - \$6.9 million).

A summary of the Company's future operating commitments is presented above under the *Commitments and Contingencies* section.

(iii) Market risk

a. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company invests cash in guaranteed investment certificates at fixed or floating interest rates in order to maintain liquidity while achieving a satisfactory return for shareholders. A change of 100 basis points in the interest rates would not be material to the financial statements. At April 30, 2018, the Company had no variable rate debt.

b. Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates associated with the fluctuations in its US dollar and the Peruvian New Sol ("Sol") bank accounts as well as the translation of foreign held assets and liabilities at current exchange rates.

The Company's net exposure to the US dollar and Sol on financial instruments, in Canadian dollar equivalents, is as follows:

	April 30, 2018	April 30, 2017
	\$	\$
US dollar:		
Cash	263,171	11,826
Receivables	24,255	53,596
Accounts payable and accrued liabilities	(1,291,580)	(790,864)
Secured debentures	(385,080)	(409,500)
Mineral notes	(64,180)	(68,250)
Net assets (liabilities)	(1,453,414)	(1,203,192)
Sol:		
Cash	35,157	28,591
Receivables	1,134,763	913,477
Accounts payable and accrued liabilities	(723,904)	(561,939)
Net assets (liabilities)	446,016	380,129

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

Assuming all other variables constant, an increase or a decrease of 10% of the US dollar against the Canadian dollar, as of April 30, 2018 would have change the Company's net loss by approximately \$0.15 million. Assuming all other variables constant, an increase or a decrease of 10% of the Peruvian sol against the Canadian dollar, as of April 30, 2018 would have change the Company's net loss by approximately \$0.04 million.

The Company had no hedging agreements in place with respect to foreign exchange rates.

c. Commodity price risk

Commodity price risk is the risk of financial loss resulting from movements in the price of the Company's commodity inputs and outputs. The Company's price risk relates primarily to: the spot price of gold for its deferred revenue financial liability balance and future gold price expectations as it relates to sales revenues. The Company continuously monitors precious metal trading prices as they are included in projections prepared to determine its future strategy.

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, 2018.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 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 from 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.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

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 audited consolidated financial statements for years ended April 30, 2018 and 2017.

Cautionary Statement on 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.

INCA ONE GOLD CORP.

Management Discussion & Analysis

For the Years Ended April 30, 2018 and 2017

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 audited consolidated financial statements for the year ended April 30, 2018 and this accompanying MD&A (together, the "Annual 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 Annual Filings on SEDAR at www.sedar.com.