North Arrow Minerals Inc.
#960 - 789 West Pender St., Vancouver, B.C.
V6C 1H2

Tel: 604-668-8355
Fax. 604-336-4813

MANAGEMENT DISCUSSION AND ANALYSIS

April 30, 2019

Form 51-102 F1
Management Discussion and Analysis (“MD&A”)
North Arrow Minerals Inc.
Containing Information up to and including July 18, 2019

Description of Business

North Arrow Minerals Inc. (“North Arrow”, “NAR” or the “Company”) is a Canadian mineral exploration company focused on evaluating prospective diamond exploration properties in Canada. The Company’s key diamond properties include the Naujaat (Nunavut), Mel (Nunavut), Pikoo (Saskatchewan), Lac de Gras (Northwest Territories), and Loki (Northwest Territories) projects. Shares of the Company trade on the TSX Venture Exchange (“TSXV”) under the symbol NAR.

The following discussion and analysis of the Company’s financial condition and results of operations for the year ended April 30, 2019 should be read in conjunction with the audited financial statements of the Company for the years ended April 30, 2019 and April 30, 2018, together with the notes thereto. The MD&A supplements but does not form part of the audited financial statements of the Company. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

Unless otherwise noted, all currency amounts are stated in Canadian dollars.

Forward Looking Statements

This document may contain "forward-looking statements" within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to sources of and anticipated financing requirements, the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage.

These forward-looking statements include, among others, statements with respect to the Company’s objectives for the ensuing year, our medium and long-term goals, and strategies to achieve those objectives and goals, as well as statements with respect to our beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the Company’s future operations, future exploration and development activities or other development plans and estimated future financing requirements contain forward-looking statements.

All forward-looking statements and information are based on the Company’s current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration, development and mining activities and commitments. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such forward-looking statements.

These factors include, but are not limited to, developments in world financial and commodity markets, risks relating to fluctuations in the Canadian dollar and other currencies relative to the US dollar, changes in exploration plans due to exploration results and changing budget priorities of the Company or its joint venture partners, changes in project parameters as plans continue to be refined; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing, the effects of competition in the markets in which the Company operates, the impact of changes in the laws and regulations regulating mining exploration and development, judicial or regulatory judgments and legal proceedings, operational and infrastructure risks, and the Company’s anticipation of and success in managing the foregoing risks. The Company cautions that the foregoing list of factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the Company or on our behalf, except as required by law.

Highlights for the year ended April 30, 2019 and subsequent events up to July 18, 2019

Naujaat project, NU

- Continued working with the Hamlet of Naujaat on plans for permitting and funding construction of a community access trail that will pass approximately 1.5 km southeast of the Q1-4 diamond deposit;
- Continued with planning and permitting for collection of a 10,000t bulk sample from the Q1-4 diamond deposit, including initiation of an engineering design and costing study of a small-scale mobile diamond recovery plant for use at the project site.
- Reported new microdiamond results for the Q1-4 diamond deposit.

Mel project, NU

- Discovered kimberlite ML345 and expanded kimberlite ML8 as part of the first ever exploration drilling program at the project. Six holes were completed (787m) as well as the collection of 224 kg of kimberlite from the ML8 subcrop, 14 ground magnetic surveys, and the collection of 447 till samples. Caustic fusion results from 208kg of ML8(Upper) returned 46 diamonds larger than the 0.106mm sieve size. Caustic fusion results from 24kg of ML8(Lower) returned 8 diamonds larger than the 0.106mm sieve size;

Pikoo project, Sk

- In November 2018 the Company announced it had staked additional mineral claims to expand the Pikoo Project to 39,752 ha.

Lac de Gras project, NT

- A new (as yet un-named) kimberlite was discovered by the first hole of a July 2019 drilling program at the LDG joint venture property in the Lac de Gras region of the NWT. The drill program remains ongoing as part of a $2.8 million calendar 2019 exploration program being funded by partner and project operator Dominion Diamond Mines;
- Thirteen ground geophysical survey grids were completed as part of a spring 2019 geophysical program.

Loki project, NT

- In November 2018, the Company reported microdiamond results for kimberlite samples from kimberlites EG05 and 465 at the Loki Project;

A summary of the exploration activities for the Company follows, as well as a description of other corporate activities. These summaries include some discussion of management's future exploration plans. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in these statements. The Company's exploration programs are subject to change from time to time, based on the analysis of results and changing corporate priorities, exploration targets and funding consideration.

Exploration Projects Overview

An overview of the exploration activities for the Company follows. For additional details the reader is referred to the Company's continuous disclosure documents available on SEDAR (www.sedar.com)

EXPLORATION AND EVALUATION ASSETS

	April 30, 2018	Expended During the Year	Write-offs During the Year	April 30, 2019
Diamond Properties				
Lac de Gras, Canada				
Exploration costs	$ 235,404	$ -	$ -	$ 235,404
Acquisition and tenure costs	277,918	-	-	277,918
Geological, data collection and assays	153,559	-	-	153,559
Office and salaries	134,040	-	-	134,040
	800,921	-	-	800,921
Pikoo, Canada				
Exploration costs	1,257,815	1,711	-	1,259,526
Drilling	2,085,859	-	-	2,085,859
Acquisition and tenure costs	213,660	4,122	-	217,782
Geological, data collection and assays	1,592,006	5,242	-	1,597,248
Office and salaries	630,709	14,237	-	644,946
Contribution from joint-venture partner	(637,813)	-	-	(637,813)
	5,142,236	25,312	-	5,167,548
Loki, Canada				
Exploration costs	385,581	58,074	-	443,655
Drilling	269,829	26,828	-	296,657
Acquisition and tenure costs	56,924	600	-	57,524
Geological, data collection and assays	169,291	35,463	-	204,754
Office and salaries	138,439	29,116	-	167,555
Recoveries	(144,500)	(125,500)	-	(270,000)
	875,564	24,581	-	900,145
Naujaat, Canada				
Exploration costs	733,146	116,441	-	849,587
Drilling	1,464,020	-	-	1,464,020
Acquisition and tenure costs	337,152	41,376	-	378,528
Geological, data collection and assays	4,669,946	246,744	-	4,916,690
Office and salaries	713,048	154,664	-	867,712
	7,917,312	559,225	-	8,476,537
Luxx, Canada				
Exploration costs	50,420	-	(50,420)	-
Acquisition and tenure costs	138,733	-	(138,733)	-
Geological, data collection and assays	121,301	-	(121,301)	-
Office and salaries	44,793	-	(44,793)	-
	355,247	-	(355,247)	-
Mel, Canada				
Exploration costs	204,085	1,136,947	-	1,341,032
Drilling	-	465,004		465,004
Acquisition and tenure costs	287,338	747	-	288,085
Geological, data collection and assays	634,677	357,173	-	991,850
Office and salaries	122,670	206,125	-	328,795
	1,248,770	2,165,996	-	3,414,766
TOTAL	$ 16,340,050	$2,775,114	$ (355,247)	$ 18,759,917

Unless otherwise stated below, the Company's Canadian exploration activities are conducted under the supervision of Kenneth Armstrong, P.Geo. (ON), President and CEO of the Company.

Diamond Projects

Naujaat diamond project, Nunavut

The Naujaat diamond project is located near the community of Naujaat (Repulse Bay), Nunavut. A total of eight kimberlite pipes (Q1-4, A34, A42, A59, A76, A94, A97 and A152) have been identified within the project as well as a number of laterally extensive kimberlite dyke systems. The Q1-4 kimberlite, located just 7 km from the Company's laydown near the community of Naujaat, is the largest and most diamondiferous of the kimberlites discovered to date.

On May 15, 2013 the Company confirmed an Inferred Mineral Resource for the 12.5 hectare Q1-4 kimberlite to be 26.1 million carats from 48.8 million tonnes total content of kimberlite with an average +1 DTC total diamond content of 53.6 carats per hundred tonnes (cpht) extending from surface to a depth of 205m. Additional resource upside in the form of a target for further exploration was estimated at between 7.9 to 9.3 million carats of diamonds from 14.1 to 16.6 million tonnes total content of kimberlite with an average +1 DTC total diamond content of 56.1 cpht, extending from 205m depth to 305m depth. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The potential quantity and grade of a target for further exploration referred to above is conceptual in nature, there has been insufficient exploration to define a mineral resource, and it is uncertain whether further exploration will result in the target being delineated as a mineral resource. For information on the data verification, exploration information and the resource and target for further exploration estimation procedures please see the technical report dated May 13, 2013 which is available under the Company's profile at www.sedar.com and on the Company's website (www.northarrowminerals.com). The authors of the report were Barb Kupsch, P.Geol. and David Farrow, P.Geo.

Evaluation work completed by the Company since 2014 has included mini-bulk sampling (2014 and 2017) and delineation drilling (2017). Eleven drill holes were completed during the 2017 delineation drill program with approximately 2,440 m of kimberlite core recovered. The holes are part of a planned program to increase confidence in the Q1-4 geological model, including the target for further exploration (TFFE) between 205 and 305m below surface (-135 to -235 meters above sea level "masl") outlined in the most recent May 2013 technical report on the project. Drilling tested all five major phases of the kimberlite and confirmed the kimberlite extends well beyond 305m below surface with the deepest drill hole terminated in kimberlite at a depth of 376 m below surface (approximately -311 masl). A more complete summary of the drilling results can be found in the Company's Management Discussion and Analysis for the year ended April 31, 2018.

The Company has collected two mini bulk samples from Q1-4, most recently a 210 tonne sample of the A88 and Green kimberlite phases, as a follow up to a 1353t sample collected in 2014 from the A28 phase. On February 28, 2018, the Company reported results from the 2017 mini bulk sample including recovery of 1,991 diamonds greater than +1 DTC (~1 mm), weighing 64.25 carats, from 209.84 dry tonnes of kimberlite for an overall sample grade of 30.6 cpht (carats per hundred tonnes). The sample was processed as three sub samples: C1 (Green Kimberlite phase), C2 (A88 kimberlite phase) and C3 (Mixed Green and A88). Recovered diamonds include 6 diamonds larger than the 3 grainer (~0.6 carat) size. The three largest diamonds, all recovered from the C3 subsample, are 5.25 carats (dark, translucent yellow to brown to white cubic aggregate), 2.09 carats (pale grey rounded aggregate diamond with inclusions), and 1.06 carats (very pale green-yellow rounded flat diamond with inclusions). A summary of the diamond recoveries from each subsample is provided in the table below along with comparable results from the 2014 bulk sample collected from the A28 phase of Q1-4 (sample A282014).

Sample	Weight	# Diamonds	Carats	Sample Grade	Proportion Yellow Diamonds[1]	
	(Dry tonnes)	(+1 DTC)		(cpht[2])	By Stones	By Carats
C1	27.06	344	8.46	31.2	2.6%	3.1%
C2	51.73	467	12.99	25.1	9.9%	9.9%
C3	131.04	1,180	42.80	32.6	11.6%	28.2%
C1+C2+C3[3]	209.84	1,991	64.25	30.6	10.7%	21.2%
A282014[4]	1,353.3	11,083	384.28	28.4	9.0%	21.5%

[1] includes very pale to pale to intense/dark yellow + green yellow diamonds; same colour breakdown as undertaken for sample A282014.
[2] carats per hundred tonnes
[3] total 2017 Pit C sample determined by arithmetic
[4] As reported in North Arrow news release dated May 5, 2015.

On January 15, 2019, the Company announced microdiamond recoveries from samples of 2017 kimberlite drill core from units A61, A48b, A88, Green, and Glob, as disclosed below. In April 2019 the company received microdiamond results from units A48a which are also reported below.

Number of Diamonds per Sieve Size (mm Square Mesh Sieve)											
Q1-4 Unit	Sample Weight Dry Kg	+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.600 -0.850	+0.85 -1.18	+1.18 -1.70	Total Stones	Total Carats +0.85 mm
A61	552.7	320	281	206	174	91	50	11	6	1139	0.275
A48b	186.8	165	97	49	40	28	15	6	0	400	0.037
A88	1031.8	196	205	155	105	44	23	12	2	742	0.171
Green	245.0	73	51	34	24	7	2	1	0	192	0.007
GLOB	104.9	36	41	21	13	10	5	1	1	128	0.015
A48a	490.2	246	218	116	67	44	16	3	2	712	0.070

The microdiamond sampling focused on evaluating representative material from each kimberlite unit between surface and approximately 300m below surface. Results reported include samples from four of the five Q1-4 model units (A61, A88, A48a and A48b) and compare well with previous microdiamond recoveries from the kimberlite. The Green unit, which was first identified during the 2017 program, has since been recognized in several historic drill holes and, although of minor volumetric importance, is clearly distinct from the other major units in Q1-4. The GLOB unit is a globular segregationary kimberlite of uncertain affiliation that may be distinct from, or part of, the A48a kimberlite unit.

It is management's opinion that Q1-4 represents a compelling under evaluated diamond resource that benefits from its large size and close proximity to tidewater and infrastructure of the Hamlet of Naujaat. As such the Company continues to focus on planning efforts for collection of a 10,000 tonne bulk sample from Q1-4 for the purpose of evaluating the diamond size distribution and value characteristics of the deposit, with particular emphasis on a distinct population of fancy yellow to orangey yellow diamonds that has been identified in each phase of the kimberlite. Design planning is underway for the bulk sample program, including permitting, collection, transportation and processing options, as well as financing options for collecting the sample.

As part of these efforts, On January 15, 2019 the Company reported support for an application by the Hamlet of Naujaat to construct a community access trail extending 14.8 km northeast of the community. The proposed access trail will pass approximately 1.5 km southeast of Q1-4 and could be used during further evaluation of the deposit, including collection of the 10,000 tonne bulk sample. Use of the access trail would reduce the cost of a bulk sample by allowing sample collection and transportation to occur without helicopter support, reducing local air traffic disturbance, and increasing opportunities for local businesses and employment. The access trail will lie entirely within the community's municipal boundaries and the Hamlet has taken the lead on its design and construction as the proposed trail has a number of beneficial social and economic development outcomes, including increased tourism and education opportunities, access to aggregate and carving stone sources as well as improved and safer access to the land for traditional land use activities. North Arrow has been working with the Hamlet on routing, permitting and construction of the access trail, including sharing results of the Company's ecological mapping, engineering and archaeological studies of potential routes. The Hamlet has received some initial funding from the Government of Nunavut, Department of Economic Development and Transportation's Community transportation Initiatives Program and is waiting on several other funding proposals submitted to Government.

In May 2019 the Company initiated an engineering design and costing study of a small scale mobile diamond recovery plant that could be used as part of a future bulk sampling program. The study is expected to be completed by the end of August 2019.

The Naujaat project is subject to a 0.5% GOR and NSR on diamond, precious metal and base metal production from the project. The holder of this royalty will also receive a payment of $2.5 million at the time the first royalty payment relating to the project is due.

The Naujaat project is also subject to a 3% net smelter royalty ("NSR") on metals and a 3% gross production royalty ("GPR") on the sale of industrial minerals, including diamonds. Subject to a November 2016 amending agreement, the NSR and GPR may each be reduced to 1% subject to future contingent cash payments to the royalty holder totalling $5.15M and future staged exploration expenditures totalling $20M.

Pikoo diamond project, Saskatchewan

The Company's 100% owned Pikoo diamond project consists of 39,752 hectares of mineral claims located approximately 140 km east of La Ronge, Saskatchewan. An all-season road to the community of Deschambault Lake comes to within 6 km of the project's southern boundary. Three drilling programs (53 drill holes; 7,369m) have been completed at the project (2013, 2015, and 2016) and a total of 10 discrete kimberlite occurrences have been discovered. Microdiamond testing of five of the kimberlites have confirmed that the PK150, PK311, PK312, PK314, and PK346 kimberlites are diamondiferous. A full summary of the initial diamond results from these kimberlites can be found in the Company's MD&A's for the years ended April 30, 2014 and 2016 as well as the MD&A for the three months ended July 31, 2016.

All of the kimberlite occurrences within the Pikoo project have been discovered at or near the up-ice termination of well-defined kimberlite indicator mineral (KIM) trains. The trains have been geographically described as the South Pikoo target area (1 KIM train; four kimberlite discoveries); North Pikoo area (1 KIM train; 4 kimberlite discoveries) and the East Pikoo area (2 KIM trains, 2 kimberlite discoveries). A fourth target area, called Bear Lake, has been identified on the basis of a cluster of anomalous KIM results from till samples collected in the southern part of the project area. Detailed evaluations of the petrography of the discovered kimberlites in conjunction with diamond results, mineral abundances and core logging information have been conducted and indicate that additional, as yet undiscovered kimberlites are located in both the North Pikoo and South Pikoo areas.

During the year ended April 30, 2019, the company staked additional mineral claims in the vicinity of the Pikoo project, increasing the project are to 39,752 ha.

Subsequent to the year ended April 30, 2019 detailed helicopter borne magnetic surveys were flown over the PK150 and PK314 kimberlite areas. Initial till sampling over the new claim area may be considered for the fall 2019, dependent on financing.

The Pikoo project is subject to a 1% GOR and NSR on diamond, precious metal and base metal production and a contingent cash payment of $1.25 million owing to the royalty holder at the time the first royalty payment is due.

Loki Diamond Project – Northwest Territories

The Loki diamond project consists of 23 mineral claims covering approximately 12,898 ha, acquired by staking between 2013 and 2018 in the Lac de Gras region of the Northwest Territories. The Company holds a 100% interest in these claims, some of which are subject to royalties ranging from 1.25% to 1.5% on diamonds and base and precious metals. The Loki project mineral claims cover identified target areas to the southwest of Lac de Gras ('South Loki') and to the southeast of the Monument kimberlite cluster ('East Loki').

On November 20, 2018, the Company reported microdiamond results for kimberlite samples from the EG05 and 465 kimberlites which were drilled as part of a spring 2018 drilling program. Kimberlite 465 represented a new discovery within the property (Details of the drilling can be found in the Company's Management Discussion and Analysis for the Year ended April 30, 2018). Caustic fusion results of drill core samples from both kimberlites are summarized in the following table:

Kimberlite	Sample* Weight Dry Kg	**Number of Diamonds per Sieve Size (mm Square Mesh Sieve)**							
		+0.106 -0.150	+0.150 -0.212	+0.212 -0.300	+0.300 -0.425	+0.425 -0.600	+0.600 -0.850	+0.850 -1.18	Total Stones
EG05	164.7	19	5	1	3	0	0	0	28
465	40.9	0	1	0	0	0	0	0	1

*includes weight of diluting country rock xenoliths removed prior to sample submission to processing lab.

An ongoing kimberlite indicator mineral (KIM) characterization study has confirmed EG05 hosts a full suite of KIMs including pyrope and eclogitic garnet, chrome diopside, picroilmenite and chromite. The kimberlite remains unconstrained by drilling completed to date and planning is underway for detailed ground gravity survey in an attempt to better define the extents of the pipe.

The recovery of a single microdiamond from 465 was in line with initial results of petrographic logging and KIM characterization which suggest the kimberlite contains a limited mantle sample.

In August 2018, the Company completed two short (75m) reverse circulation (RC) drill holes testing target 853 within the South Loki area. The -50 degree holes were set up 30m apart and oriented along the same azimuth to test a modelled magnetic anomaly. Both holes encountered metamorphic sedimentary rocks with no immediate explanation for the magnetic anomaly.

The summer RC drilling was supported in part by a $100,000 grant as part of the government of the Northwest Territories Mineral Incentives Program (MIP). The grant monies were used on eligible exploration expenditures related to the F2019 geophysical and drilling programs on the Loki project. Subsequent to the year ended April 30, 2019 the Company was awarded another $100,000 grant as part of the MIP program. The new MIP funding will be used to support a summer 2019 field program of till sampling, ground truthing and ground geophysical surveys in advance of renewed exploration drilling in the spring of 2020.

Lac de Gras Diamond Project – Northwest Territories

The Lac de Gras Diamond project forms a very large, approximately 147,200 ha contiguous block of mineral claims and mining leases located within the Lac de Gras region of the Northwest Territories. The project area directly adjoins the mineral leases that host the Diavik diamond mine, located 10 km to the north, and the mineral claims of the Company's Loki project to the west. The Ekati diamond mine is located within 40 km to the northwest.

The project is being evaluated under a joint venture arrangement between the Company and Dominion Diamond Mines. Dominion is the joint venture operator and exploration programs are managed by Aurora Geosciences of Yellowknife, NT. On November 20, 2018 the Company reported that Dominion had provided an update of ongoing exploration on the project. During the spring of 2018, Dominion completed 31 shallow reverse circulation (RC) exploration drill holes in eight target areas and 7 diamond drill holes (1,013m) in two target areas. No new kimberlites were discovered however the Big Blue kimberlite, was tested by a single RC hole and by two vertical diamond drill holes. Drill core from Big Blue has undergone detailed petrographic logging and samples were submitted for KIM characterization and microdiamond analyses. Dominion has subsequently reported to the Company that the microdiamond content of the submitted samples was very low and no further work is warranted on the Big Blue kimberlite. During August 2018, 93 overburden RC holes and 9 hand dug sample pits were completed in 13 target areas. Till samples collected from this work have been processed and results are being used to better define and interpret KIM dispersal trains down ice from the target areas.

In December 2018, the joint venture approved a $2.87M exploration budget for calendar 2019. In May 2019, the company was notified by Dominion that a geophysical program had been completed on the property consisting of 13 total grids, including magnetic (11 grids, 465 line km), gravity (9 grids, 2,100 stations) and OhmMapper resistivity (5 grids; 90 line km) surveys. In July 2019 the Company announced the start of a summer field program including a 1000m drilling program. On May 8, 2019 the Company announced it had been notified by Dominion that the first hole of the program had intersected kimberlite, representing the joint venture's first new kimberlite discovery on the property. The drill hole was testing a coincident resistivity/gravity/magnetic anomaly identified on Grid 4 from the spring program. Drilling is expected to continue through to the end of July, 2019.

Subsequent to the approval of the 2016, 2017, 2018 and 2019 exploration programs, the Company elected not to contribute its proportionate share of costs to these programs. Dominion elected to fund each of these programs and budgets in full. Assuming completion of the full 2018 program, the Company estimates its current interest in the joint venture is approximately 25%. Furthermore, assuming completion of the full $2.87M 2019 program, the Company estimates its interest in the joint venture to fall to approximately 21%. The decision to not participate in the 2019 program and budget allows the Company to focus its exploration expenditures on the Naujaat, Mel, Loki and Pikoo projects while retaining a meaningful interest in the LDG joint venture.

Pursuant to a previous acquisition agreement between the Company and Springbok Holdings Inc. ("Springbok") (Please see the Company's Annual Management Discussion and Analyses for the year ended April 30, 2016 for further details on the acquisition agreement), in the event the Company incurs $2 million in joint venture expenditures on the Lac de Gras Joint Venture Property, the Company will issue to Springbok that number of common shares of the Company having a value of $1 million.

Mel Diamond Project – Nunavut

The Company maintains a 100% interest in the Mel diamond project. The project consists of approximately 56,075 hectares on the Melville Peninsula, Nunavut, approximately 140 km south of the community of Hall Beach and 210 km northeast of the community of Naujaat. The property is located within 18 km of tidewater and hosts several well defined kimberlite indicator mineral (KIM) trains. On October 16, 2017, the Company announced the prospecting discovery of the diamondiferous ML8 kimberlite near the up-ice termination of the northernmost KIM train. ML8 was identified in subcrop and float and a total of 23 diamonds greater than the 0.106mm sieve size were recovered from caustic fusion analyses of a 62.1 kg composite sample of the kimberlite.

During the year ended April 30, 2019 the Company completed the first ever exploration drilling of this new kimberlite field as well as work focused on the generation of new targets through till sampling and geophysical surveys. Six holes (787.5m) were drilled with kimberlite intersected in five holes testing the ML8 and ML345 targets. The sixth hole, testing target ML6, was lost prior to completion. Kimberlite ML8 was tested by three holes over a 170m strike length. Two holes testing target ML345, located approximately 1.5 km south of ML8, encountered narrow kimberlite dykes at one location along this extensive, >400m target. Difficulties with drill serviceability impacted North Arrow's ability to re-drill ML6, or to follow up the ML8 and ML345 kimberlite drill intercepts and test additional new targets. Details of the drilling were provided in a news release dated September 24, 2018 as well as the Management Discussion and Analysis for the period ending July 31, 2018.

On November 13, 2018 and January 24, 2019, the Company reported the results of caustic fusion processing of 208 kg of ML8(Upper) kimberlite collected from the same subcropping location as the 2017 discovery. Results were also reported for 24 kg of kimberlite from ML(Lower) in drill hole 18-ML-03. The results are summarized in the following table along with the 2017 microdiamond results:

Sample Year	Body	Sample Weight Dry Kg	'+0.106 -0.150	'+0.150 – 0.212	'+0.212 – 0.300	'+0.300 – 0.425	'+0.425 – 0.600	'+0.600 – 0.850	'+0.850 – 1.18	Total Stones
2018	ML8 (Lower)*	24.15	0	3	0	2	1	1	1	8
2018	ML8 (Upper)*	79.48	4	4	4	0	0	0	1	13
2018	ML8 (Upper)**	129.0	7	9	8	6	1	1	1	33
2017	ML8 (Upper)***	62.1	9	3	5	4	0	1	1	23

** Reported in North Arrow news release dated January 24, 2019*
***Reported in North Arrow news release dated November 13, 2018*
**** Previously reported in North Arrow news release dated October 17, 2017*
ML8 (Upper) samples collected at surface as float and/or subcrop

Kimberlite ML8 (Lower) was discovered by drilling in 2018 and is interpreted as a distinct occurrence from the near vertical coherent kimberlite dyke first discovered in August 2017 (now referred to a ML8 (Upper)). The ML8 (Lower) sample is comprised of 24.15 kg of drill core collected from kimberlite intervals encountered in drill hole 18-ML-03 between 85.84 and 96.55m downhole. This interval contains intermixed coherent kimberlite, cracked country rock and is interpreted as distinct from ML8(Upper). The 208.48 kg composite sample of subcrop and float from ML8(Upper) was collected during the summer 2018 exploration program.

Till sampling completed during the 2018 field program focused on providing complete coverage of the entire Mel Project area, with focus on the claims staked during the fall of 2017. A total of 447 samples were collected with KIMs, ranging from 1 to 34 grains, recovered from 35 of the samples. The samples had a nominal field weight of 10 kg and were collected on an approximate 1 km by 1 km grid to provide complete, even spaced coverage over the property. Positive samples have widened the North Mel KIM target by at least 750m, to a total width of 3,600m. In particular, a sample returning 34 KIMs including Cr-pyrope, eclogitic garnet and Mg-Ilmenite, was collected approximately 1,200m north of the significantly diamondiferous ML-8 kimberlite occurrences and is interpreted as a potential fourth KIM train within the North Mel area. Sampling in the southern part of the property expanded the South Mel KIM target area including the most anomalous sample returned to date from this area (15KIMs including Cr-pyrope, eclogitic garnet, and Mg-ilmenite).Next steps for the project include additional prospecting and till sampling to better define target areas, as well as further geophysics to better define drill targets at the head(s) of more well-defined KIM trains.

The Mel project is subject to a 1% GOR held by Anglo Celtic Exploration Ltd., a private company controlled by D. Grenville Thomas, a director of the Company. The Company retains the right to buy back half of the GOR (0.5%) for $1 million at any time.

Luxx Diamond Project – Nunavut

The Company maintains a 100% interest in the Luxx diamond project, Nunavut. The project was acquired to cover unexplained KIM trains identified from public datasets and consists of approximately 2,300 acres on the tidewater of Chesterfield Inlet, approximately 60 km from the community of Chesterfield Inlet and 100 km north of the community of Rankin Inlet. The project includes at least one, and possibly three KIM trains comprised of Mg-ilmenite, pyrope and eclogitic garnet. The Company presently has the required permits to allow for exploration drilling of targets on the property. During fiscal 2019, the Company wrote-off $355,247 of exploration and evaluation expenses related to the property due to the lack of active exploration on the property over the last three years.

The Luxx project is subject to a 1% GOR held by Anglo Celtic Exploration Ltd., a private company controlled by D. Grenville Thomas, a director of the Company. The Company retains the right to buy back half of the GOR (0.5%) for $1 million at any time.

Timiskaming diamond project, Ontario/Quebec

The Timiskaming diamond project is located in the Cobalt-New Liskeard-Elk Lake-Notre Dame du Nord (Ville Marie) region of northeastern Ontario and northwestern Quebec. Between 1995 and 2012, Stornoway Diamond Corporation ("Stornoway") and its predecessor companies conducted comprehensive diamond exploration programs within the project area resulting in the discovery of nine kimberlites. In May 2013, the Company announced the completion of a drilling program that fulfilled the requirements of the option work program under an option agreement with Stornoway and as a result the Company earned an 80% interest in the project. Accordingly, ongoing evaluation of the project is subject to an 80%/20% (Company/Stornoway) participating joint venture. Surficial sediment sampling and geophysical data from the project suggest additional undiscovered kimberlites may be located within the project area.

Gold and Other Projects

Hope Bay ORO Gold Project – Nunavut

The Company's 100% owned ORO gold property is located in the Hope Bay Volcanic Belt (HBVB) in Nunavut and is strategically located on tide water covering the northern end of the HBVB, approximately 3.25km to the north of TMAC Resources' Doris gold mine. Gold mineralization at the Doris gold mine occurs along a well-defined stratigraphic volcanic contact, which extends northward onto the ORO property. The ORO property hosts numerous gold showings and potentially gold bearing structures including the Elu shear zone and Wombat zone.

SUBSEQUENT EVENTS/PROPOSED TRANSACTIONS

a) Subsequent to April 30, 2019 and subject to regulatory approval, the Company announced a non-brokered private placement of up to 17,000,000 units at a price of $0.07 per unit for gross proceeds of $1,190,000. Each unit will consist of one common share and one transferrable common share purchase warrant. Each warrant will entitle the holder to purchase one share at a price of $0.10 per share for a period of five years. Finders' fees may be payable on a portion of the private placement.

b) Subsequent to April 30, 2019, the Company announced that it would apply to the TSX Venture Exchange to extend the expiry date of 26,481,717 share purchase warrants by two years and reprice 25,070,887 of the share purchase warrants to $0.225 in accordance with TSX Venture Exchange Policy 4.1. Sec. 3.3 (d).

FINANCIAL CONDITION, LIQUIDITY, CAPITAL RESOURCES, OPERATIONS AND FINANCIAL RESULTS

Overall performance

		April 30, 2019		April 30, 2018		April 30, 2017
Current assets	**$**	**648,992**	$	1,026,379	$	573,152
Non-current assets		**18,830,423**		16,404,232		12,067,108
Liabilities		**(496,517)**		(437,497)		(83,103)
Shareholders' equity	**$**	**18,982,898**	$	16,993,114	$	12,557,157

		April 30, 2019		April 30, 2018		April 30, 2017
Net Sales and total revenue	**$**	**-**	$	-	$	-
Net income (loss) for the year	**$**	**(1,460,752)**	$	(939,924)	$	(467,430)
Net income (loss) per share	**$**	**(0.02)**	$	(0.01)	$	(0.01)
Total assets	**$**	**19,479,415**	$	17,430,611	$	12,640,261
Total long-term liabilities	**$**	**-**	$	-	$	-
Dividends declared	**$**	**-**	$	-	$	-

Financing/Use of Proceeds

On May 18, 2017, the Company completed a non-brokered private placement of 20,000,000 units at a price of $0.25 per unit for gross proceeds of $5,000,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.40 per share for a period of three years. The proceeds raised were used for drilling and mini-bulk sampling programs at the Loki and Naujaat projects, ongoing exploration work at other projects and working capital.

On June 19, 2018, the Company completed a non-brokered private placement of 10,135,000 flow-through shares at a price of $0.20 per share and 6,481,717 units at a price of $0.17 per unit for gross proceeds of $3,128,892. Each unit consisted of one common non-flow-through share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.30 per share for a period of two years. The proceeds raised will be used for drilling and sampling programs at the Mel, Loki, and Naujaat projects as well as ongoing exploration work on other projects and working capital.

Results of Operations

During the year ended April 30, 2019 (the "current year"), the Company recorded a loss of $1,460,752 or $0.02 per share. This is compared with a loss of $939,924 or $0.01 per share for the year ended April 30, 2018 (the "comparative year"). The $520,828 increase in the loss for the current year was largely due to reduced proceeds recovered from the disposition of non-core assets, the write-off of costs related to the Luxx property and increased share-based compensation costs. These reductions and expenditures were offset by the premium paid by investors on the flow-through share financing which was credited to operations as exploration expenditures were incurred in accordance with the Company's accounting policies.

Expenses for the current year were $1,423,668 (comparative year - $1,179,779) an increase of $243,889 from the comparative year. The increase in expenses during the current year was largely related to increased share-based compensation $715,863 (comparative year - $412,945) on the vesting of options. Share-based compensation is a non-cash charge calculated using a Black-Scholes Option Pricing Model.

In addition, to the increased expenses during the current year the Company sold non-core exploration and evaluation assets to unrelated third parties for $25,000 (comparative year - $205,000), lost $16,500 (comparative year – gained $7,435) on marketable securities and warrants, wrote-off $355,247 (comparative year - $nil) of exploration and evaluation assets and recorded $304,050 (2018 - $nil) of other income. The other income that was recorded reflects the premium investors paid to purchase flow through shares.

Summary of quarterly results

The following table sets out selected unaudited quarterly financial information of North Arrow and is derived from the Company's unaudited quarterly consolidated financial statements prepared by management. The Company's interim financial statements are prepared in accordance with IFRS and are expressed in Canadian dollars.

Quarter Ending	Interest Income	Income or (Loss) from Continued Operation and Net Income (Loss)	Basic Earnings (Loss) per share from Continued Operation and Net Income (Loss)	Earnings (Loss) per share
April 30, 2019	$ 1,704	$ (673,271)	$ (0.01)	$ (0.01)
January 31, 2019	$ 413	$ (242,151)	$ (0.00)	$ (0.00)
October 31, 2018	$ 910	$ (5,418)	$ (0.00)	$ (0.00)
July 31, 2018	$ 222	$ (539,912)	$ (0.01)	$ (0.01)
April 30, 2018	$ 5,245	$ (158,735)	$ (0.00)	$ (0.00)
January 31, 2018	$ 4,540	$ (191,924)	$ (0.00)	$ (0.00)
October 31, 2017	$ 10,599	$ (222,697)	$ (0.00)	$ (0.00)
July 31, 2017	$ 7,036	$ (366,568)	$ (0.01)	$ (0.01)

Variations in Quarterly Results

The Company's quarterly results can be affected by many factors such as seasonal fluctuations, variations in capital markets, the write-off of capitalized amounts, stock-based compensation costs, tax recoveries and legal matters.

The $673,271 loss for the fourth quarter of fiscal 2019 reflects the Company's ongoing administration costs, the write-off of $355,247 of exploration and evaluation assets and share based compensation costs of $112,429.

The $242,151 loss for the third quarter of fiscal 2019 reflects the Company's ongoing administration costs and share based compensation costs of $85,220 reduced by income, recoveries and gains of $14,189. The income was primarily a result of the Company conducting Canadian exploration and crediting to operations $30,609 of the premium it received on a flow through financing.

The $5,418 loss for the second quarter of fiscal 2019 reflects the Company's ongoing administration costs, and share based compensation costs of $85,220 reduced by income, recoveries and gains of $227,153. The income was primarily a result of the Company conducting Canadian exploration and crediting to operations $173,105 of the premium it received on a flow through financing.

The $539,912 loss for the first quarter of fiscal 2019 reflects the Company's ongoing administration costs, share based compensation costs of $432,994, other income of $100,336 and no recovery of exploration and evaluation expenses on the disposition of non-core assets.

The $158,735 loss for the fourth quarter of fiscal 2018 reflects the Company's ongoing administration costs, share based compensation costs of $32,294 and increased advertising, promotion and travel costs.

The $191,924 loss for the third quarter of fiscal 2018 reflects the Company's ongoing administration costs, share based compensation costs of $54,196 and increased advertising, promotion and travel costs.

The $222,697 loss for the second quarter of fiscal 2018 reflects the Company's ongoing administration costs, share based compensation costs of $62,445 and increased advertising, promotion and travel costs.

The $366,568 loss for the first quarter of fiscal 2018 reflects the Company's ongoing administration costs, share based compensation costs of $264,010 and a $102,500 recovery on the sale of exploration and evaluation assets.

Fourth Quarter

At April 30, 2019, the Company had cash of $509,085, exploration and evaluation assets of $18,759,917, accounts payable and accrued liabilities of $496,517 and shareholders' equity of $18,982,898. These amounts are compared to cash of $954,272, exploration and evaluation assets of $18,746,004, accounts payable and accrued liabilities of $394,343 and shareholders' equity of $19,543,740 at January 31, 2019.

During the fourth quarter of fiscal 2019 the Company incurred a loss of $673,271 compared to a loss of $158,735 for the comparative quarter of fiscal 2018 and $787,481 for the nine months ended January 31, 2019. During the fourth quarter of 2019 the Company had expenses of $326,950 (comparative quarter - $272,084) and wrote-off $355,247 of exploration and evaluation assets. Included in expenses for the fourth quarter is $112,429 (comparative quarter - $32,294) of share-based compensation costs.

During the fourth quarter of fiscal 2019, the Company continued exploration and evaluation activities on its projects and incurred exploration and evaluation expenditures of $369,160 (comparative quarter - $1,148,764).

Liquidity

At April 30, 2019 the Company had working capital of $152,475 compared to a working capital of $588,882 at April 30, 2018. The reduction in working capital is largely a result of reductions in cash and receivables and increased accounts payable and accrued liabilities. Included in accounts payable and accrued liabilities is a $241,000 provision for the demobilization costs related to the MEL project in Nunavut. The $241,000 provision is an estimate of costs required to demobilize the project's related exploration equipment should the Company not undertake additional drilling within the next two years. During the current year the Company's cash position decreased $265,866 (comparative year – increased - $406,827) as a result of cash expenditures of $616,425 (comparative year - $722,682) and $2,688,164 (comparative year - $3,834,239) spent on operating and investing activities respectively and completion of $3,038,723 (2018 - $4,963,748) of financing activities.

Operating activities

During the current year the Company's operating activities used $616,425 (comparative year - $722,682) of cash. The use of cash in operating activities during the year reflects the Company's funding of a loss of $1,460,752 (comparative year – $939,924) adjusted for both non-cash gains and expenditures and the receipt of cash of $69,492 (comparative year – use of $978) for funding changes in items such as accounts receivable, prepaid expenses and accounts payable.

Non-cash gains and expenditures consist of the recovery of exploration and evaluation assets $25,000 (comparative year - $205,000), share-based compensation $715,863 (comparative year - $412,945), write-offs $355,247 (comparative year - $nil), depreciation $16,275 (comparative year - $17,710), other income – deferred premium $304,050(2018 - $nil) and a loss of $16,500 (comparative year – gain of $7,435) on warrants and marketable securities.

Investing activities

During the current year the Company's investing activities used $2,688,164 (comparative year - $3,834,239) of cash. During the current year the Company used $2,738,164 (comparative year - $4,004,007) to evaluate its exploration and evaluation assets and purchase equipment. The investing expenditures for the current year were reduced by the cash the Company received of $50,000 (comparative year - $169,768) from the sale of exploration and evaluation assets and marketable securities.

Financing activities

During the current year the Company raised net proceeds of $3,038,723 (comparative year - $4,963,748) from the issuance of units by way of a private placement.

Capital Resources

The Company's financial condition and future prospects are significantly affected by overall economic conditions. The Company has no source of operating revenue and relies on equity financings, joint ventures and warrant and stock option exercises to further exploration on its properties.

The Company's long-term financial success is dependent on management's ability to discover and develop economically viable mineral deposits. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activity and the Company's ability to raise additional funds on favourable terms. Management recognizes there will be risks involved that may be beyond their control. The Company intends to continue to use various strategies to minimize its dependence on equity capital, including the securing of joint venture partners where appropriate.

The Company's ability to generate cash is very much affected by the current market conditions, its share price and third-party interest in its assets. In the current equity market, funds for companies at an early/grass-roots stage of exploration are limited and dilution to existing shareholders from an equity financing increases as the share price decreases. The Company has no credit facilities that could be used for ongoing operations because it has no operating cash flow.

In order to finance the Company's exploration programs and to cover administrative and overhead expenses, the Company raises money through equity sales, from the exercise of convertible securities and, in the past, from the sale of investments. Although the Company has had past success in obtaining financing, there can be no such assurance that it will be able to obtain adequate financing in the future or that the terms of any financing will be favourable. Many factors influence the Company's ability to raise funds, including the state of the resource market and commodities prices and, the climate for mineral exploration.

The Company's management actively manages its landholdings in an effort to keep those landholdings with the greatest exploration potential in good standing for as long as possible. The Company's management regularly reviews its cash position against future plans and makes decisions regarding these plans accordingly.

The Company announced a financing in July 2019 to further exploration efforts at its various exploration properties and to maintain its listing on the TSXV. The Company is seeking to minimize variable expenses to the extent possible and may seek joint venture partners to continue to further exploration of its mineral properties.

Risks and Uncertainties

Industry

An investment in natural resource companies involves a significant degree of risk. The degree of risk increases substantially where the Company's properties are in the exploration as opposed to the development stage. Investment in the securities of the Company should be considered as highly speculative due to the nature of the Company's business. The following additional risk factors should be given special consideration.

Exploration, Development and Mining Risks

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. Mineral exploration involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of diamonds and base/precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage. If any of the Company's exploration programs are successful, there is a degree of uncertainty attributable to the calculation of resources and reserves and the corresponding grades that could be mined or dedicated to future production. Until reserves are actually mined and processed, calculations of quantity and grade must be considered as estimates only. In addition, the quantity of resources and reserves may vary depending on diamond or metal prices. Any material change in resources and reserves, including grade or recovery ratio, may affect the economic viability of the Company's properties. In addition, there can be no assurance that diamond and metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. The Company closely monitors its activities and those factors, which could impact them, and employs experienced consulting, engineering, and legal advisors to assist in its risk management reviews.

The Company's properties are currently being assessed for exploration and as a result, the Company has no source of operating cash flow. Failure to obtain additional financing could result in a delay or indefinite postponement of further exploration. Development of the Company's mineral properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of mineralization that can be converted into resources or reserves. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish resources and reserves through drilling, to develop metallurgical processes to extract the metal or diamonds, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

Foreign Operation Risks

Historically, the majority of the Company’s expenses have been denominated in Canadian Dollars so its exposure to foreign exchange risk has been limited. Exploration activities outside of Canada can expose the Company to foreign exchange risk. Presently, the Company does not have foreign operations or use foreign-exchange contracts to mitigate this risk, but that may change in future, depending upon the size of the Company’s exploration programs denominated in currencies other than the Canadian Dollar.

Insurance

The Company's involvement in the exploration for mineral properties may result in the Company becoming subject to liability for pollution, property damage, personal injury or other hazards. Although the Company may have insurance to address many risks, such insurance has limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable or, in certain circumstances, the Company may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Company. The occurrence of a significant event that the Company is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Company's financial position, results of operations or prospects.

Environmental Risks

All phases of the mineral exploration and development business present environmental risks and hazards and are subject to environmental legislation. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances used and or produced in association with mineral exploration and mining operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Company to incur costs to remedy such discharge. No assurance can be given that the application of environmental laws to the business and operations of the Company will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Prices, Markets and Marketing of Diamonds and Base/Precious Metals

The Company’s revenues, if any, are expected to be in large part derived from the mining and sale of diamonds and base/precious metals or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company’s control including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities, increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of diamonds and base/precious metals, and therefore the economic viability of any of the Company’s exploration projects, cannot accurately be predicted.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as the proximity and capacity of milling facilities, mineral markets and processing equipment and governmental regulations including regulations relating to royalties, allowable production and importing and exporting of minerals.

Substantial Capital Requirements and Liquidity

The Company anticipates that it will make substantial capital expenditures for the acquisition, exploration, development and production of its mineral properties in the future. The Company currently has no revenue and may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on the Company's financial condition, results of operations or prospects.

Issuance of Debt

From time to time the Company may enter into transactions or activities that may be financed with debt which could impair the Company's ability to obtain additional financing in the future. The inability of the Company to access sufficient capital for the repayment of any debt could have a material effect on the Company's financial condition, results of operations or prospects.

Outstanding Share Data

The Company's authorized capital is unlimited common shares without par value.

As at July 18, 2019, the Company had the following shares, options and warrants outstanding:

		Number
Shares issued and outstanding		92,772,458
Options:		
Expire September 25, 2019	$0.60	607,500
Expire December 16, 2019	$0.54	200,000
Expire June 23, 2022	$0.27	2,230,000
Expire November 21, 2022	$0.25	150,000
Expire May 10, 2023	$0.27	2,070,000
Expire July 12, 2023	$0.20	2,695,000
Warrants:		
May 18, 2020*	$0.40	20,000,000
June 19, 2020*	$0.30	6,481,717
Fully diluted		127,206,675

∗ See subsequent events/ proposed transactions re: proposed changes to the terms of the warrants.

Share issuances

On May 18, 2017, the Company completed a non-brokered private placement of 20,000,000 units at a price of $0.25 per unit for gross proceeds of $5,000,000. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share at a price of $0.40 per share for a period of three years. The proceeds raised will be used for a planned drill program at Naujaat, ongoing exploration work at other projects and working capital**.**

On June 19, 2018, the Company completed both a non-brokered private placement of flow through shares at a price of $0.20 per share and a concurrent placement of non-flow through units for gross proceeds of $3,128,892. Each non-flow through unit was issued at a price of $0.17 and consisted of a common share and a common share purchase warrant. Each warrant will entitle the holder to purchase an additional share of the Company at a price of $0.30 per share for a period of two years. Additionally, if the closing price of the Company's shares is at or above $0.40 for a period of 10 consecutive trading days the expiry date of the warrants may be accelerated to the date that is 30 trading days after the acceleration trigger date. Finders fees totalling $67,842 were payable on a portion of the placement.

Stock options and warrants

At the Company's Annual General Meeting on December 20, 2018, the shareholders of the Company ratified the stock option plan (the "Plan"). The Plan gives the directors the authority to grant options to directors, officers, employees and consultants. The maximum number of shares to be issued under the Plan is 10% of the issued and outstanding common shares at the time of the grant. The exercise price of each option granted shall not be less than the market price at the date of grant less a discount up to 25% in accordance with the policies of the TSXV.

Options granted can have a term up to 5 years with vesting provisions determined by the directors in accordance with TSXV policies for Tier 2 Issuers, with a typical vesting period of 25% upon grant and 25% every six months thereafter.

Transactions with Related Parties

The Company incurred the following transactions in the normal course of operations in connection with companies which have an officer and/or director in common.

a) Paid or accrued consulting fees of $18,000 (2018 - $18,000) to the Corporate Secretary of the Company. This amount is included in salaries disclosed below.
b) Paid $3,993 (2018 - $3,842) for office costs to a company controlled by a director.
c) Charged related parties $21,850 (2018 - $27,600) for rent, office and administrative costs.
d) Included in other receivables is $268 (2018 - $514) due from companies having a director or officers in common.

The remuneration of directors and key management personnel during the year ended April 30, 2019 was as follows:

	April 30, 2019	April 30, 2018
Salaries[1,3]	$ 189,555	$ 193,112
Salaries in exploration costs[1]	117,438	113,730
Share-based compensation[2]	495,609	252,167
Total	$ 802,602	$ 559,009

1 – When key management is working specifically on mineral properties their time is capitalized against the mineral property. Included in salaries are payments as follows: CEO - $225,000, CFO - $60,000, Corp. Sec. - $18,000.
2 – Share-based compensation is the fair value of options that have been granted to directors and key management personnel.

During the year ended April 30, 2016, the Company entered into an employment agreement with a senior employee and officer for his services requiring a minimum annual payment of $225,000. In addition, the employment agreement contains clauses which could provide for a payment or payments in excess of $450,000 on termination of employment or conclusion of a change in control or similar transaction.

Commitments

The commitment for rental of the Company’s office space and equipment is as follows:

Year ending	
April 30, 2020	$78,226
April 30, 2021	$59,579
April 30, 2022	$ 3,636

CHANGES IN ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

NATURE AND CONTINUANCE OF OPERATIONS

North Arrow Minerals Inc. (the "Company") is incorporated federally under the laws of the Canada Business Corporations Act ("CBCA").

The financial statements of the Company are presented in Canadian dollars, which is the functional currency of the Company. The Company trades on the TSX Venture Exchange (TSXV – NAR) and its registered office address is Ste. #960-789 West Pender Street, Vancouver, BC, Canada V6C 1H2.

The Company's principal business activity is the acquisition and exploration of exploration and evaluation assets. To date, the Company has not generated significant revenues from operations and is considered to be in the exploration stage.

The Company's financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. At April 30, 2019, the Company had an accumulated deficit of $22,087,284 (April 30, 2018 - $20,576,532), incurred ongoing losses and has no source of recurring revenue. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. The Company's financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of statement of financial position items if the going concern assumption was inappropriate. These adjustments could be material.

The Company's continuation as a going concern is dependent on the successful results from its mineral property exploration activities, its ability to reduce or defer discretionary expenditures and its continued ability to raise equity capital or borrowings sufficient to meet current and future obligations.

Statement of Compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements are presented in Canadian dollars unless otherwise noted.

Historical cost

The Company's financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during this period.

Although management uses historical experiences and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require estimates as the basis for determining the stated amounts include the recoverability of exploration and evaluation assets and the valuations of share-based payments, marketable securities, deferred premiums and deferred tax amounts.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as follows:

> Economic recoverability and probability of future benefits of exploration and evaluation costs.
>
> Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, the history of conversion of mineral deposits with similar characteristics to its own

properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

Share-based payments and warrants recorded as marketable securities

The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments and warrants recorded as marketable securities. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and Company's earnings and equity reserves.

Deferred premiums and flow-through shares

On issuance the Company bifurcates the flow- through share into i) a flow-through share premium liability based on the estimated premium the investor pays for the flow-through share feature and ii) share capital. Upon qualifying expenses being incurred, the Company derecognizes the liability and the premium is recognized as other income.

Income taxes

In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

New Accounting pronouncements

i) The IASB has issued standards and amendments which have been adopted by the Company. Each of the new standards is effective for annual periods beginning on or after January 1, 2018. The adoption of the standards and amendments did not have a material effect on the financial statements.

ii) Certain pronouncements were issued by the IASB or IFRIC but were not effective as at April 30, 2019. The Company intends to adopt these standards and interpretations when they become effective.

The following are the accounting standards issued but not effective for the current year that the Company believes could be significant.

IFRS 16 – Leases

IFRS 16 supersedes IAS 17 – Leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless a lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach substantially unchanged from IAS 17. IFRS 16 applies to reporting periods beginning on or after January 1, 2019.

The Company plans to apply IFRS 16 effective May 1, 2019 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The Company will recognize lease obligations related to its office and office equipment measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. The associated right-of-use assets will be measured at the lease obligation amount less prepaid lease payments, resulting in no adjustment to the opening balance of its deficit. As at May 1, 2019 the Company expects to recognize approximately $129,000 in right-of-use assets and $129,000 of incremental lease obligations.

Change in accounting policy – financial instruments

On May 1, 2018, the Company adopted a new accounting standard, IFRS 9- financial instruments ("IFRS 9'), which replaced International Accounting Standard 39 (IAS 39) Financial Instruments: Recognition and Measurement. This new standard introduces changes to IAS 39's guidance on the classification and measurement of financial assets and is effective for annual periods beginning after January 1, 2018. IFRS 9 did not impact the Company's classification and measurement of financial assets and liabilities except for marketable securities. The Company adopted IFRS 9 retrospectively without restatement of comparative amounts resulting in a reclassification of $50,000 from investment revaluation reserve to deficit at May 1, 2018. Future changes in the fair value of marketable securities will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

The Company completed an assessment of its financial instruments at May 1, 2018. The following table shows the original classification under IAS 39 and the new classification under IFRS 9.

	Original Classification – IAS 39	New Classification – IFRS 9
Cash	FVTPL	FVTPL
Receivables	Loans and receivables	Amortized cost
Marketable securities	AFS	FVTPL
Accounts payable and accrued liabilities	FVTPL	FVTPL

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value 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 that are not based on observable market data.

The Company's financial instruments consist of cash, marketable securities, receivables and accounts payable and accrued liabilities. Cash is carried at fair value using a Level 1 fair value measurement. The carrying value of receivables, accounts payable and accrued liabilities and due to related parties approximate their fair values due to their immediate or short-term maturity. Marketable securities consisting of common shares are recorded at fair value based on the quoted market prices in active markets at the reporting date, which is consistent with Level 1 of the fair value hierarchy. Marketable securities consisting of warrants are recorded at fair value based on a Black Scholes pricing model consistent with Level 3 of the fair value hierarchy.

The Company is exposed to a variety of financial risks by virtue of its activities, including credit risk, interest rate risk, liquidity risks, foreign currency risk, and equity market risk. The Company's objective with respect to risk management is to minimize potential adverse effects on the Company's financial performance. The Board of Directors provides direction and guidance to management with respect to risk management. Management is responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company manages credit risk by investing its excess cash in short-term investments with investment grade ratings, issued by a Canadian chartered bank. The Company's receivables consist primarily of sales tax receivables due from the federal government and receivables from companies with which the Company has exploration agreements or options. The maximum exposure to credit risk at the reporting date is the carrying value of the Company's receivables and cash.

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. Financial assets and liabilities with variable interest rates expose the Company to interest rate risk with respect to its cash flow. It is management's opinion that the Company is not exposed to significant interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's ability to continue as a going concern is dependent on management's ability to raise the funds required through future equity financings, asset sales or exploration option agreements, or a combination thereof. The Company has no regular cash flow from its operating activities. The Company manages its liquidity risk by forecasting cash flow requirements for its planned exploration and corporate activities and anticipating investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of annual budgets and significant expenditures and commitments. Failure to realize additional funding could cast significant doubt on the Company's ability to continue as a going concern. As at April 30, 2019, the Company had cash of $509,085 (April 30, 2018 - $774,951) available to settle current liabilities of $496,517 (April 30, 2018 - $437,497).

Foreign currency risk

The Company's activities are within Canada and accordingly the Company is not subject to significant foreign currency risk.

Equity market risk

The Company is exposed to equity price risk arising from its marketable securities, which are classified as fair value through profit or loss. The Company plans to sell its marketable securities as market conditions permit, or as is required to finance the Company's operations from time-to-time.

Capital Management

The capital of the Company consists of the items included in shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company. The Company's objective for capital management is to plan for the capital required to support the Company's ongoing acquisition and exploration of its mineral properties and to provide sufficient funds for its corporate activities.

The Company's exploration and evaluation assets are in the exploration stage. As an exploration stage company, the Company is currently unable to self-finance its operations. The Company has historically relied on equity financings to finance its operations. In order to carry out the Company's planned exploration programs and to pay for administrative costs, the Company will have to raise additional funds as required. To effectively manage the Company's capital requirements, the Company's management has in place a planning and budgeting process.

Additional Disclosure for Venture Issuers Without Significant Revenue

Additional disclosure concerning the Company's general and administrative expenses and exploration and evaluation assets and expenses is provided in the Company's statement of financial position, statement of changes in equity, statement of loss and comprehensive loss and the Exploration and Evaluation Assets note contained in its financial statements for the years ended April 30, 2019 and 2018. These statements are available on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the Company is on SEDAR at www.sedar.com and is available on the Company's website at www.northarrowminerals.com.

Approval

The Board of Directors of the Company has approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.