



FANCAMP EXPLORATION LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL

The following discussion of performance, financial condition and future prospects should be read in conjunction with the financial statements of the Company and notes thereto for the periods ended January 31, 2018 and 2017. The Company's reporting currency is Canadian dollars. The date of this Management Discussion and Analysis is March 26, 2018. Additional information on the Company is available on SEDAR at www.sedar.com and the Company's web site at www.fancampexplorationltd.ca.

FORWARD-LOOKING STATEMENTS

This report may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans", and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this MD&A.

THE COMPANY

Fancamp Exploration Ltd. is a Canadian junior mineral exploration company focused on adding value through prospecting, geophysics and drilling on its exceptional inventory of resource properties in Quebec, New Brunswick and Ontario. The commodities include gold, base metals, chromium, titanium, iron and silica.

The Company is a reporting issuer in British Columbia, Alberta, Ontario and Quebec and its common shares are listed for trading on the TSX Venture Exchange under the symbol FNC.

Key Company Highlights

- Following the recent federal funding grant of \$3.9 M, consortium member, COREM, has committed to providing substantial in-kind contribution, including demonstration plant hosting. The building is scheduled to be ready by the end of April, 2018. The Magpie Mines Inc., controlled by Fancamp, is an essential unit of the company with the potential to produce dividends.
- Recent Ontario government decision to build road access to the Ring of Fire District in Northern Ontario with aboriginal approval, a significant step in the eventual exploitation of KWG Resources Inc. and its partners Bold Ventures Inc. and Fancamp Exploration Ltd.'s high grade Black Horse chromite discovery.

- Significant advances in the Company's 100% owned South Lamelee iron ore resource. The Company also holds other important positions in the Fermont iron ore sector, particularly royalty and equity interests in Champion Iron Limited.
- Recent acquisitions, through staking, a number of high grade silica deposits in southern Quebec of current interest to a number of major operators.
- Current grassroots exploration activities and staking in New Brunswick (Cu and VMS), Gaspé (Zn) and Abitibi (Au).

The Magpie Mines Inc.

The Company, a subsidiary of Fancamp Exploration Ltd., has been awarded \$3.9 million in funding from the Sustainable Development Technology Canada (SDTC), part of the process of financing a pilot plant necessary for the commercialization of its proprietary Magpie Process, a low cost and low emission method of separating high purity TiO₂ from titaniferous iron ores. The project entails designing, procuring, and operating a demonstration plant based on the Magpie Process and will be located in Quebec City. Magpie has formed a consortium that will provide necessary support in the project development. Consortium members include (i) Impact Global Solutions (IGS) to support in managing technology development to commercialization, (ii) COREM to support in designing, building, and operating the demo plant, and (iii) two Quebec-based mining companies, Mine Arnaud and Arianne Phosphate, for technical support and to provide feeds in the form of tailings, ilmenite concentrate, and/or slags for demo testing. The interest of a number of industrial users is considerable and of course essential to the ultimate success of such a plant.

SIGNIFICANT MARKETABLE SECURITIES

Argex Titanium Inc.

The Company currently holds 1,110,000 shares of Argex Titanium Inc. ("Argex"). The Company also holds a 2% NSR, rising to 4% two years after production, on Argex's Lac La Blache property, with an advance royalty of \$100,000 to be paid annually, and currently in arrears.

See Note 4 "Marketable Securities" and Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

Champion Iron Mines Ltd.

The Company currently holds 10,268,334 shares of Champion Iron Mines Ltd. and a 1.5% non-recourse NSR on its Fermont Iron Holdings.

See Note 4 "Marketable Securities" and Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

KWG Resources Inc.

The Company currently holds 4,564,000 shares of KWG Resources Ltd ("KWG").

See Note 4 "Marketable Securities" and Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

St-Georges Platinum and Base Metals Ltd.

The Company currently holds 900,000 shares of St-Georges Platinum and Base Metals Ltd.

See Note 4 "Marketable Securities" and Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

HPQ Silicon Resources Inc. (formerly Uragold Bay Resources Ltd.)

The Company currently holds 8 million warrants. Uragold Bay Resources Ltd. has changed its name to HPQ Silicon Resources Inc. on a 1:1 basis, a recognition of its ownership of a proprietary fusion method of recovering silicium metal from quartz at significant cost savings.

See Note 4 "Marketable Securities" and Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

SIGNIFICANT MINERAL PROPERTIES

Baude Lake, Quebec

Recent prospecting on this 100% owned property revealed significant rare earth elements in an allanite rich pegmatite/coarse grained red granite. Grab samples have returned up to a total of 9.53% light rare earth oxides with associated Yttrium oxide values of 0.25%. Mapping and prospecting are ongoing.

Becaguimec Lake, New Brunswick

An airborne MAG-TDEM survey has just been completed on this magmatic sulphide-VMS property.

Brunswick North, New Brunswick

The Company recently entered into an option agreement to acquire a 100% interest in a 969.4 hectare property located southwest of Bathurst. Recent discoveries on this property indicate potential for gold as well as VMS mineralization with assays from float samples ranging up to 7.69 g/t Au and high grade massive sulphide boulders grading up to 3.8 g/t Au, 158 g/t Ag, 17.3% Pb and 8.5% Zn. (See news release of February 20, 2018 for further information.)

Clinton Property, Quebec

The Company has earned a 100% interest in 117 claim units of this prospective gold, copper and zinc property, located some 65 km ESE of Stoke. The Company currently holds a total of 63 claim units. Three holes were drilled on the V zone that intercepted five mineralized zones. Various option possibilities are being explored.

See Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

Gaspé Bay Group (incl. Robidoux and Ste. Marguerite) Properties, Quebec

Extensive epizonal gold bearing quartz vein systems are to be found along the Grand Pabos Fault system and its associated structures in western Gaspé. The Company owns a number of large properties covering this system, the easternmost referred to as Robidoux and the western sector covered by the Ste. Marguerite property. The former was the site of a 600 tonne bulk sample results from which have been reported and a further 350 tonne sample was extracted in late 2015 and awaits processing. The Ste. Marguerite property is the site of a large number of gold showings associated with quartz veins and Grand Pabos related shear zones. Some of these showings can be traced along strike for up to 1500 metres. Bedrock is deeply weathered and gold placers have been identified in creeks crossing these structures, indicating the presence of free gold. Currently, treatment options are being considered for the smaller bulk sample.

Lamelee Property, Quebec

The Lamelee Iron Ore Deposit has been returned to Fancamp 100%, and the 43 million shares issued for the purchase returned to the Lamelee Iron Ore Ltd. treasury. This important asset is well positioned to be development ready pending recovery of iron world markets. On August 3, 2017, the Company filed a NI 43-101 technical report outlining an Indicated Resource of 74.7 million tonnes grading 31.6% T-Fe (total iron) and an Inferred Resource of 229.2 million tonnes grading 30.4% T-Fe, using a conservative cut-off grade of 15% T-Fe. (See news release dated August 3, 2017 for further information.)

See Note 8 "Exploration and Evaluation Assets" and Note 6 "Investments in Associates" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

Mallard Heenan Property, Ontario

The Company has recently entered into agreements to acquire 25 gold and VMS claim units in the Swayze greenstone belt, southwest of Timmins. Recent geophysical surveys covering parts of this property have revealed multiple untested targets. A VTEM Time Domain EM and Magnetic survey over strategic parts of the property will soon be completed. (See news releases of January 17, 2018 and February 20, 2018 for further information.)

Stoke Mountain Property, Quebec

The Company has earned a 100% interest in 44 claim units of this prospective gold, copper and zinc property, located some 56 miles southwest of the Company's Beauce gold property. The property totals 150 claim units. Previous drilling intersected 7.29% Cu/6.40m some 135 metres down plunge of the Phelps Dodge intersection, 56 metres below surface, of 6.34% Cu/5.10m. Downhole IP and a surface gravimetric survey have defined further targets associated with this copper zone, which remain to be drill tested. This gravity modelling also indicated the presence of a similar and as yet untested target some 900m long, 700m to the northwest of the known copper zone. In addition, IP surveys and soil geochemical surveys conducted in the fall 2013 have also outlined a previously unknown anomalous gold target which also remains to be drill tested.

The Company is currently working on option possibilities.

See Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

McFaulds Fancamp Property (Koper Lake), Ontario

KWG/Bold have now earned their 50% interest in the Black Horse Chromite deposit in the Ring of Fire. The possibilities for the eventual development of a world class ferrochrome industry could be significant.

See Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017.

Other Properties

See Note 8 "Exploration and Evaluation Assets" attached to the financial statements for the nine months ended January 31, 2018 and 2017 for further information on the Company's other mineral property holdings.

RESULTS OF OPERATIONS

The Company reported a net loss of \$1,520,469 for the nine months ended January 31, 2018, compared to a net loss of \$161,782 for January 31, 2017. The net losses in 2018 and 2017 were offset by the gains recorded on the disposal of marketable securities (2018 - \$331,121, 2017 - \$321,290). Overall operating expenses are higher in 2018 due to the recording of stock based compensation on options granted to directors and officers and incurring a tax liability from re-assessments for years 2011, 2012 and 2013.

A former director and officer of the Company has filed a lawsuit claiming damages for wrongful dismissal and defamation against the Company and Peter H. Smith. The Company believes these accusations to be baseless and is confident that it will not be found liable. \$31,118 in legal fees have been incurred to date.

	Three Months Ended January 31, 2018	Nine Months Ended January 31, 2018	Three Months Ended January 31, 2017	Nine Months Ended January 31, 2017
Revenue				
Mineral Properties Royalties	\$ -	\$ 100,000	\$ -	\$ 100,000
	-	100,000	-	100,000
Expenses				
Accounting and Audit	16,500	97,400	17,000	107,555
Commissions	830	1,809	370	1,409
Directors Fees (Note 10)	21,000	63,000	21,000	63,000
Field Administration	30,820	76,000	37,200	75,675
Insurance	10,106	30,765	10,230	32,954
Interest Expenses and Bank Charges	238	698	193	1,335
Legal Fees	12,494	27,184	7,880	49,264
Management and Consulting	47,440	118,390	49,400	119,420
Mineral Property Sundry Expenses	7,724	15,971	1,503	11,103
Office Rent, Supplies and Services	19,324	66,459	39,465	81,151
Share Transfer, Listing and Filing Fees	13,481	22,656	8,223	18,752
Stock Based Compensation	1,351,597	1,351,597	-	-
Taxes	73,791	73,791	-	-
Travel and Accomodations	3,237	5,870	4,401	6,260
Total Expenses	1,608,582	1,951,590	196,865	567,878
Net (Loss) Before the Following:	(1,608,582)	(1,851,590)	(196,865)	(467,878)
Impairment of Exploration and Evaluation Assets (Note 8)	-	-	(15,194)	(15,194)
Gain (Loss) from Disposal of Marketable Securities (Note 4)	96,043	331,121	98,870	321,290
Net Loss Before Taxes	(1,512,539)	(1,520,469)	(113,189)	(161,782)
Deferred Tax Recovery (Expense)	-	-	-	-
Net (Loss) for the Period	(1,512,539)	(1,520,469)	(113,189)	(161,782)

SUMMARY OF QUARTERLY RESULTS

Selected financial information for the quarter ended January 31, 2018 and the preceding 7 quarters:

	IFRS 4th Quarter April 30, 2017	IFRS 1st Quarter July 31, 2017	IFRS 2nd Quarter October 31, 2017	IFRS 3rd Quarter January 31, 2018
Three Months Ended				
Mineral Property Royalty Revenue	\$0	\$0	\$100,000	\$0
Net Loss	(\$1,493,105)	(\$31,603)	\$23,674	(\$1,512,539)
Loss Per Share	(\$0.01)	\$0.00	\$0.00	\$0.00
Fully Diluted Loss Per Share	(\$0.01)	\$0.00	\$0.00	\$0.00
	IFRS 4th Quarter April 30, 2016	IFRS 1st Quarter July 31, 2016	IFRS 2nd Quarter October 31, 2016	IFRS 3rd Quarter January 31, 2017
Three Months Ended				
Mineral Property Option Revenue	\$0	\$0	\$100,000	\$0
Net Loss	(\$1,389,529)	(\$67,687)	\$19,094	(\$113,189)
Loss Per Share	(\$0.03)	\$0.00	\$0.00	\$0.00
Fully Diluted Loss Per Share	(\$0.03)	\$0.00	\$0.00	\$0.00

FINANCING

In June, 2015, the Company issued 10,000,000 common shares to acquire a portfolio of interests held by The Sheridan Platinum Group Ltd.

In June, 2016, the Company issued 2,892,393 common shares, at a deemed price of \$0.05 per share, to settle a total of \$144,620 of debt owed to certain insiders of the Company.

On January 12, 2018 the Company issued a total of 50,000 common shares at a price of \$0.10 per common shares, for the exercise of stock options.

On January 30, 2018 the Company issued a total of 1,000,000 common shares at a deemed price of \$0.14 per share, pursuant to the option agreement to acquire a 100% interest in the Mallard Heenan property.

In February, 2018 the Company entered into a short term loan agreement to borrow \$150,000.00 for a period of 108 days, with an interest rate of \$13.525%.

In February, 2018 the Company issued 100,000 common shares at a deemed price of \$ 0.12 per shares, pursuant to an option agreement to acquire a 100% interest in additional claims to the Mallard Heenan property.

In February, 2018 the Company issued 250,000 common shares at a deemed price of \$0.12 per share pursuant to a purchase agreement to acquire the Brunswick North property.

See Note 9 – “Share Capital” and Note 13 – “Subsequent Events”, attached to the financial statements for the nine months ended January 31, 2018 and 2017 for further information on the Company’s financing activities.

LIQUIDITY AND CAPITAL RESOURCES

The Company is an exploration stage company in the business of mineral exploration. It is in the process of exploring its mineral properties interests and has not yet determined whether these properties contain ore reserves that are economically recoverable. With no producing properties, the Company has no current operating income or cash flow. All of the Company’s short and medium-term operating and exploration cash flow is derived through external financing, joint venture option and royalty payments.

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient capital to meet liabilities when due after taking into account the Company’s holdings of cash that might be raised from equity financings. As at January 31, 2018, the Company had a cash balance of \$14,950 (2017 - \$18,727), marketable securities of \$1,255,672 (2017-\$2,084,692), sales taxes refundable of \$47,970 (2017 – \$81,791), accrued mining duty receivable of \$132,526 (2017 - \$77,443), accrued exploration tax credits receivable of \$133,896 (2017 - \$14), accounts payable and accrued liabilities of \$449,553 (2017 - \$366,220), and due to directors of \$558,878 (2017 - \$321,420). All of the Company’s accounts payable and accrued liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company believes that these sources will be sufficient to cover the expected short and long term cash requirements.

The Company had working capital of \$900,030 as at January 31, 2018 (2017 - \$1,811,238).

TRANSACTIONS WITH RELATED PARTIES

See Note 10 – “Related Party Transactions and Balances” attached to the financial statements for the nine months ended January 31, 2018 and 2017.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off balance sheet arrangements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company’s general and administrative expenses and exploration and evaluation expenses is provided in the Company’s Statements of Operations and Comprehensive Loss and Equity sections in its financial statements for the nine month periods ended January 31, 2018 and 2017.

DISCLOSURE OF OUTSTANDING SHARE DATA

Fancamp Exploration Ltd. is listed on the TSX Venture Exchange under the symbol “FNC”.

The Company is authorized to issue an unlimited number of common shares and on March 26, 2018 there were 153,211,629 common shares issued and outstanding.

As at January 31, 2018, the Company has 152,851,629 common shares outstanding and 15,125,000 stock options outstanding.

See Note 9 – “Share Capital” attached to the financial statements for the nine months ended January 31, 2018 and 2017.

RISKS AND UNCERTAINTIES

Fancamp is an exploration stage enterprise in the business of mineral exploration. It is in the process of exploring its mineral properties interests and has not yet determined whether these properties contain ore reserves that are economically recoverable.

The Company emphasizes that attention should be drawn to matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Other uncertainties include the fact that the Company is currently at the exploration stage for its interests in mineral properties, the economic viability of which have not been assessed. The Company has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for resources properties is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the property, and upon future profitable production or proceeds from disposition of the mineral properties. The Company's ability to maintain its existence is dependent upon the continuing support of its creditors and its success in obtaining new equity financing for its ongoing operations. Financing options available to the Company include public equity financings, sales of marketable securities, loans and tax credit refunds. Realization values may be substantially different from carrying values, as shown in these financial statements, should the Company be unable to continue as a going concern. These financial statements have been prepared under the assumptions of a going-concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

ENVIRONMENTAL CONTINGENCY

The Company's exploration and development activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. At January 31, 2018, the Company does not believe that there are any significant environmental obligations requiring expenditures in the foreseeable future.

CHANGES IN ACCOUNTING POLICIES AND NEW ACCOUNTING DEVELOPMENTS

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective. The Company does not expect the impact of such changes on the financial statements to be material.

IFRS 9	Financial Instruments: Classification and Measurement
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value.

Functional and Presentation Currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

Significant Accounting Judgments and Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgment, estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of commitments and contingencies at the date of the consolidated financial statements and the

reported amount of expenses during the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period of the revision and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

Critical Accounting Judgments

- Going Concern
- Exploration and Evaluation Expenditures
- Title to Mineral Property Interests
- Asset Acquisition
- Impairment of Available-for-Sale Financial Assets

Critical Estimates

- Impairment of Long-lived Assets
- Purchase Price Allocation
- Current and Deferred Taxes

For more details of significant accounting judgements and estimates, see Note 2 “Basis of presentation” attached to the financial statements for the years ended April 30, 2017 and 2016 and the nine months ended January 31, 2018 and 2017.

CONTROLS AND PROCEDURES

The Chief Executive Officer and the Chief Financial Officer of the Company are responsible for designing a system of internal controls over financial reporting, or causing them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with Canadian generally accepted accounting principles. We have designed and implemented a system of internal controls over financial reporting which we believe is effective for a company of our size. During the review of the design of the Company’s control system over financial reporting it was noted that due to the limited number of staff, there is an inherent weakness in the system of internal controls due to our inability to achieve appropriate segregation of duties. The limited number of staff may also result in identifying weaknesses with respect to accounting for complex and non-routine transactions due to a lack of technical resources, and a lack of controls governing our computer systems and applications within the Company. While management of the Company has put in place certain procedures to mitigate the risk of a material misstatement in the Company’s financial reporting, it is not possible to provide absolute assurance that this risk can be eliminated.

INVESTOR RELATIONS

The Company does not have any investor relation contracts.

BOARD OF DIRECTORS

At the Company’s annual meeting held on October 27, 2017, Peter H. Smith, Debra Chapman, Fouad Kamaledine, Mel De Quadros, Paul Ankcorn, Ashwath Mehra and Mark Billings were elected to serve as directors for the forthcoming year.

ADVISORY BOARD

The Company has an Advisory Board which includes John Harvey P.Eng., Mackenzie Watson P.Eng., Ali Al Hazeem and Michael Sayer.

For further information see the Company’s website: www.fancampexplorationltd.ca