INTERNATIONAL MONTORO RESOURCES INC.

Form 51-102F1

Management's Discussion & Analysis
for the 1st Quarter Ended November 30, 2017
(and containing information as January 23, 2018)

OVERVIEW

The following Management Discussion and Analysis ("MD&A") is a review of the operations, current financial position and outlook for International Montoro Resources Inc. ("IMT", "Montoro" or the "Company") and should be read in conjunction with the Audited Financial Statements for the Year ended August 31, 2017 and comparative for the Audited Year ended August 31, 2016 and the related notes thereto, copies of which are filed on the SEDAR website: www.sedar.com.

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included herein and in the following discussion and analysis are quoted in Canadian dollars unless otherwise noted. The financial information in the MD&A is derived from the Company's financial statements prepared in accordance with IFRS.

Forward-looking Statements and Information

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements and information relating to International Montoro Resources Inc. ("IMT", "Montoro",or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to IMT. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans, the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; and government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or other risks of the mining industry; delays in obtaining government approvals or financing or incompletion of development or construction activities, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements to confirm these statements to actual results.

Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources. This discussion may use the terms "measured resources" and "indicated resources". The Company advises investors that while those terms are recognized and required by Canadian regulators, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.**

DESCRIPTION OF THE COMPANY'S BUSINESS

The Company was incorporated January 30th, 1987 under the laws of the Province of British Columbia and is listed on the TSX Venture Exchange ("TSX-V") as a Tier 2 mining exploration Issuer. The shares of the Company trade on the TSX-V under the symbol "IMT".

The Company is engaged in exploration and development of mineral properties, focusing on projects in British Columbia, and Ontario, Canada. At this time, the Company does not own any operating mines and has no operating income from mineral production. Funding for operations is raised primarily through public and private share offerings. Future operations and the Company's ability to meet its mineral interest commitments are dependent on the Company's ability to raise sufficient funds through share offerings, debt, or operations to support current and future expenditures.

The Company's long-term objectives will be to:

(a) Continue exploration and development work on its existing mineral properties;
(b) Determine if an economic mineral deposit exists on the mineral properties;
(c) Find one or more economic mineral deposits and bring them to commercial production;
(d) Acquire and evaluate additional complementary mineral properties to expand the Company's portfolio; and
(e) Deliver a return on capitalization to shareholders.

OVERALL PERFORMANCE AND MINERAL INTERESTS

1.1 Date - January 23, 2018

The following MD&A was approved by the Directors of the Company.

1.2 Mineral Interests:

The following are highlights of the progress on the various mineral projects, during the current year and in the past several years.

(a) Serpent River – Sault Ste. Marie Mining Division – Elliot Lake – Northern Ontario

On December 29, 2006 the Company entered into an agreement to acquire a 100% interest in ten mining claims in the Sault Ste. Marie Mining Division, Elliot Lake area, in Northern Ontario, known as the Serpent River property.

The terms of the agreement included the issuance of a total 100,000 common shares and $500,000 in cash payments at prescribed intervals up to December 12, 2010 (completed). In addition, there is a 2.0% net smelter return relating to the acquisition. The Company may at any time purchase 1.0% of the NSR for $1.5 million.

From **2007 to 2011,** the Company has completed the following exploration work in a number of successive programs:

- A NI 43-101 compliant Technical Report completed by Scott Wilson Roscoe Postle Associates Inc. ("Scott Wilson RPA") –**March 2007**
- Roadwork and access to drill sites – **August 2007**
- 12 hole NQ Diamond Drill program on the Pecors Channel (west side of the property), and 4 holes in the Whiskey Channel (east side) Total of 2755 meters –**September 2007 – January 2008**
- Petrographic Analysis of 21 Drill Core Samples –**December 2007**
- Engaged Geotech Ltd. and conducted an airborne "VTEM" electromagnetic survey over the entire property, in conjunction with surveying adjoining properties of Pele Mountain and Verbina Resources. The survey identified several high priority EM conductors – **February 2008**
- Re-assayed 71 pulps from 2007 drill program for a total suite of Rare Earth Elements (REE's) –**November 2009**
- 5 hole (867 meters) MTW Diamond Drill program exploring a new style of mineralization not previously drilled –**April 2010**
- Geophysical Interpretation of the <u>southern portion</u> of the VTEM survey –**May 2010**
- Reconnaissance program to locate several holes drill by Rio Algom (1959) near the Pecors anomaly. Several holes located, particularly drill hole PW122 drilled to a depth of 450 meters located in the southwest corner of the Pecors anomaly –**June 2011**
- Geophysical Interpretation of the <u>northwest portion</u> of the VTEM survey – Pecors Anomaly –a 3 Dimensional Inversion Response. Further details can be reviewed in the news release as filed on SEDAR and on the Company website –**July 13, 2011**

On September 2, 2014 the Company commissioned L.E. Reed ("Reed") Geophysical Consultant Inc. to take a further look at the VTEM survey findings to see if there were any weak bedrock AEM anomalies associated with the Pecors Magnetic anomaly (the "Pecors Anomaly") that may have been overlooked in the first pass. Montoro has received the Reed report titled 'Report on a Review of Airborne EM and Magnetic Surveying……'. The report is posted on our website – Serpent River – property page. Further details can also be reviewed in the news release and filed on SEDAR.

January 19, 2015 – the Company has secured Orbit Garant Drilling Services Inc. of Val D'Or, Quebec for a minimum of 2,000 metres of NQ core drilling for the Pecors anomaly drill program. The contract will require one (1) Heliportable drill rig. Montoro has also contracted Heli Explore Inc. of Sudbury, Ontario for the transportation of equipment, supplies, drill crew and other personnel as required. Dan Patrie Exploration Ltd. of Massey, Ontario has completed the heli-pad and drill pad cutting for Pecors Hole #1.

March 27, 2015 - The Company has been informed that Orbit Garant Drilling Services Inc. of Val D'Or, Quebec arrived yesterday at Elliot Lake airport. The transporting by helicopter of the drill rig and materials about 9 km to the Pecors Anomaly drill site is underway and setup to commence drilling should be completed tomorrow.

April 20, 2015 – PDH-1 stopped at 1005m. A total of 22m of core samples have been cut, and delivered to Agat Laboratories preparation facility in Sudbury before being forwarded to Mississauga, Ontario for assaying. Upon completion of drilling demobilization from PDH-1, Lamontagne Geophysics immediately moved men and materials to set up their BH UTEM 4 downhole probe and fibre-optic logging system on the site. Further details of this system can be reviewed in the news release dated April 28, 2015 on our website.

April 22, 2015 – Drilling on PDH-2 collared approximately 650m to the northwest of PDH-1 commenced**.**

May 11, 2015 – The Company reported that drilling on PDH-2 continues in gabbro and is expected to reach its capacity at 1300m.

May 26, 2015 – The Company reported highly anomalous assay results from PDH-1 –'Lending encouragement for the discovery of a massive sulphide deposit with economic tenors'. Detailed results of the assays for 19 sampled intervals can be reviewed in the news release as disseminated and posted on the website at www.MontoroResources.com and on SEDAR.

June 29, 2015 – Further to the Company's news release of May 26, 2015 an expanded sampling program was undertaken on PDH-1. The zone on anomalous Cu-Ni-PGE mineralization has been extended an additional 4 metres as shown in the news release. Also, a thin section analysis was carried out by the Ontario Geological Survey ("OGS"), Sudbury Mining Division office. Further testing by the OGS is being completed.

August 20, 2015 – The Company contracts Crone Geophysics to downhole probe PDH-2 to the bottom of the hole at 1317m. For further details on the 3-D Borehole Pulse EM System review the news release as disseminated and posted on the website and on SEDAR.

Ronacher McKenzie Geoscience of Sudbury, Ontario was also contracted to complete a petrographic analysis on PDH-1 to better understand the mineralogy and petrology of the gabbro and its contained sulphide mineralization. The detailed report is now posted on our website.

October 20, 2015 – Results of the probing on PDH-2 indicated that two distinct conductive anomalies were detected and modelled at a depth of about 580 to 590 metres down the hole and 975 to 1021 metres down the hole. The anomalies were between 70-75 metres from the hole.

The Company collected an additional 22 samples covering the interval from 864m to 883.7m. One sample from this interval returned anomalous results. For further details of the down hole probing and other sample results see the news release as disseminated on our website and filed on SEDAR.

The Company plans Titan MT geophysics on Pecors. Subject to financing the Company outlines three Options to move forward on the Pecors anomaly. Further details of the three options can be reviewed in the **December 15, 2015** news release and filed on SEDAR or the Company website.

August 24, 2016 – Exploration completed from March 23, 2015 to May 10, 2016 and filed for assessment work purposes was accepted by the Ontario Ministry of Northern Development and Mines and the property is in good standing until November 2, 2020, with additional reserve dollars approved.

November 7, 2017 – The Company signed a 'Services Agreement' with Geotech Ltd. to engage Geotech to conduct a 'helicopter borne' ZTEM geophysical survey over the Pecors anomaly. The survey area will result in approximately 280 line km. at 200m line spacing. The survey is planned to be completed in early spring 2018 with signal levels in the area are optimal. ZTEM has been successfully applied as follow-up to VTEM over 'Magmatic Massive Sulphide' (MMS) Ni-Cu deposits to determine their potential extensions to depth. An announcement of the start date will be news released at that time.

See Subsequent Events Section 1.14 (A. (v) following for further information.

(b) Chuchinka Property, northeast of Prince George, B.C.

On January 21, 2010 the Company entered into a Property Option Agreement to acquire a 100% interest in the 1,818.6 ha (4 claims- 100 units) contiguous to and adjoining Spectrum Mining Corp's recently reported rare earth discovery, located in the Cariboo Mining District, approximately 80 km northeast of Prince George, B.C. Further details of the discovery can be reviewed in the January 26, 2010 news release as filed on SEDAR and on the Company website at **www.montororesources.com**

The terms of the agreement as completed were: Total cash of $50,000 (paid); and two tranches of 100,000 units within six months at an agreed price of $0.25 per unit (issued). Each unit is comprised of one common share of the Company and one share purchase warrant entitling the holder thereof to purchase one additional common share of the Company for a period of two years at a price of $0.50 per share in the 1st year and $0.75 per share in the 2nd year. The warrants expired at $0.75 unexercised **February 2, 2012.**

On **February 17, 2010** the Company entered into a further Property Purchase Agreement with a non-related vendor to purchase an additional 449.0 ha (1 claim – 25 units) adjoining the Chuchinka Property. The terms of the agreement were as follows:

- The Company will issue to the vendor 40,000 common shares at an agreed price of $0.40 per share within ten days of Exchange approval (issued);
- The Company will pay the vendor the sum of $6,250 (paid); and
- The Company granted the vendor a warrant for the right to purchase up to an aggregate of 20,000 common shares of the Company, exercisable for two years from the Exchange approval, as follows:
    - In the first year, one warrant will be required to purchase one additional common share at a price of $0.50 per share; and
    - In the second year, two warrants will be required to purchase one additional common share exercisable at a price of $0.75 per share.
    - The 20,000 warrants expired unexercised**.**

The vendor will retain a 2% NSR royalty with a 1% buyout for $1 million.

August 31, 2016 the Company determined that due to difficulties in raising exploration financing, it is unlikely to conduct additional exploration on the property in the near future and as a result has recognized an impairment of $90,928.

September 22, 2016 - The Company paid 'Cash in Lieu' of exploration on the Chuchinka mineral claims which are now in good standing until March 22, 2017.

On March 27, 2017, the Company allowed certain claims in the Chuchinka Property to lapse and is currently in negotiations to option the balance of its claims to an arm's length third party.

(c) Other Mineral Interests

The Company holds certain interests in the following properties; however they are no longer management's primary focus:

(i) South Trend/Overtime –Ungava, Ragland area, Quebec: Montoro holds a 1% NSR royalty (with a $1 million buyout provision).

(ii) Crackingstone –Northern Mining District, Uranium City-Saskatchewan: Montoro holds a

50/50 interest with Belmont Resources Inc. in two claim blocks comprising 982 ha. **The Companies are pursuing potential joint venture partners to continue exploration on these properties.**

(iii) Triangle and Orbit Lakes –Northern Mining District, Uranium City-Saskatchewan: Montoro holds a 50/50 interest with Belmont Resources Inc. in claim blocks totaling 11,109 ha. **The Companies are pursuing potential joint venture partners to continue exploration of these properties.**

(iv) Cup Lake/Donen Claims – Greenwood Mining Division – British Columbia

On **April 30, 2006**, the Company, agreed to acquire a 100% interest in two uranium prospect mineral claims (the "Ballistic Mineral Claims") located in the Greenwood Mining District of B.C. The total consideration payable to the vendors was $75,000 cash (paid) and 60,000 units (issued). Each unit comprises one common share and one warrant. Each warrant was exercisable into an additional common share at an exercise price of $2.00 in the first year and $2.50 in the second year.

On **December 8, 2006** the Company announced it had entered into a second agreement to acquire a 100% interest in eight additional claims in the Cup Lake area, adjoining the Ballistic mineral claims. The terms of the agreement include the issuance of a total of 1,200,000 common shares at prescribed intervals up to December 1, 2008; a total of $1.0 million in total cash payments staged annually up to December 1, 2009; and minimum exploration expenditures of $800,000 over four years to December 1, 2010.

On **July 16, 2009** the Company filed a Statement of Claim in the Supreme Court of British Columbia alleging that the Province of British Columbia in imposing a uranium and thorium reserve under the Mineral Tenure Act on April 24, 2008, has prevented the Company from exploring for, developing, or producing uranium or thorium from the Cup Lake/Donen uranium property and that the Province of B.C. has expropriated the Company's interest in the property. Further details of the Statement of Claim can be reviewed in the **July 21, 2009** news release as filed on SEDAR and the Company's website as well as www.courts.gov.bc.ca Action S-095263.

On **September 1, 2009** the Company reported that we have received a Statement of Defense from the Province of British Columbia regarding our action which alleges that the Province of B.C. has prevented the Company from exploring for, developing, or producing uranium or thorium from the Cup Lake/Donen uranium property and that the Province of B.C. has expropriated the Company's interest in the property. Further details of the Statement of Defense and news release are filed on SEDAR and the Company's website.

The Company is working with the Vendor to resolve its claim for compensation from the Province of B.C. for the expropriation of the Company's interest in the Cup Lake/Donen property.

(d) Other

Director Appointment

On August 25, 2016 the Company announced the appointment of Mr. Fraser Rieche of Vancouver, B.C. to the Board of Directors. Mr. Rieche has a BA in Economics and has 25 years' experience in international project management, logistics planning and corporate finance having worked with resource-based industries and financial institutions worldwide. For further details on his experience, please review the news release as filed on SEDAR and posted on our website.

The Company has granted Mr. Rieche, forty thousand (40,000) stock options for the purchase of up to 40,000 common shares of the Company, pursuant to our Stock Option Plan. Each option is exercisable for a period of three years at a price of $0.25 per common share.

Advisory Board

April 27, 2015 – Montoro announces a further addition to its Advisory Board with the appointment of Everett F. Makela, P.Geo. Mr. Makela brings over 30 years of exploration experience and solid expertise to the team. Further details of his experience and qualifications can be reviewed in the news release on our website.

May 7, 2014. The Company announced a further addition to its Advisory Board in the appointment of Gregory J. Campbell from Ontario. Mr. Campbell has had a 40 year career in the geological field. Greg Campbell was granted a Hon. B.Sc. in Geology, followed by a MSc. Degree from Laurentian University in Sudbury, Ontario. For additional information on Mr. Campbell's experience, review the detailed news release on our website or as filed on SEDAR.

April 1, 2014. The Company announced the establishment of an Advisory Board and the appointment of Thomas S. Drolet, President of Drolet and Associates Energy Services Inc. as an initial member. For further details of Mr. Drolet and his 43 year career in many phases of Energy Nuclear, Coal, Natural Gas, and Geothermal (all including commercial aspects, R&D, Engineering, Operations and Consulting), etc. review the detailed news release on our website or as filed on SEDAR.

Registered & Records Office

Effective April 30, 2013, Maitland & Company closed its offices as certain partners move toward retirement. The Company has moved its Registered and Records Office to Owen Bird Law Corporation, 29th Floor, Three Bentall Centre, 595 Burrard Street, Vancouver, B. C. V7X 1J5

Investor Relations

- **Effective April 1, 2014** the Company has engaged 360 Aviation Services Inc. ("360") of Vancouver to conduct investor relations services for a nine month contract. Compensation to 360 will be $3,500 per month for the first three months and increased to $5,000 per month for the remainder of the contract. See the May 7, 2014 news release on our website or as filed on SEDAR for further details. **The agreement terminated on January 1, 2015. The Company currently does not have an investor relations agreement in place.**

- **April 6, 2015 –** Gary Musil, CEO/President was invited to participate in a new TSX complimentary initiative, which they have launched. The CEO video interview conducted in Toronto at The Exchange Tower can be seen on our website at www.MontoroResources.com or the TSX website at http://www.tmxmoney.com/en/news/csuite.html

- **December 15, 2015-Gary Musil, CEO/President talks with Market One Media Group http://ow.ly/VUNXu about our recent drilling program and options moving forward.**

Annual General Meeting & Stock Option Plan

- **On May 23, 2017** the Company held its Annual General Meeting. At the meeting the shareholders re-elected Gary Musil, Roger Agyagos, Bruce E. Bried, Brent Griffin and recently appointed Fraser Rieche for the upcoming year. All other resolutions as proposed were unanimously approved. At the Directors Meeting following; the directors re-appointed Gary Musil as President/Chief Executive Officer and newly appointed Fraser Rieche as Corporate Secretary/Chief Financial Officer for the upcoming year. For further information review the detailed news release on our website or as filed on www.SEDAR.com

- **July 5, 2017 –** The TSX Venture Exchange (the "Exchange") accepted for filing the Company's annual renewal of its Rolling 10% Stock Option Plan (the "Plan"), which was approved by the Company's shareholders at the Annual General Meeting that was held on May 23, 2017.

1.3 Selected Annual Information

		Year-ended August 31, 2017	Year-ended August 31, 2016	Year-ended August 31, 2015
a.	Net Sales or Total Revenues	$Nil	$Nil	$Nil
b.	Net Income or (Loss) before Other Items	**($193,524)**	($317,583)	($431,948)
c.	Comprehensive Income or (Loss) in total	***($193,339)**	**($409,930)	***(432,038)
d.	Net Income or (Loss) per fully diluted share basis	**($0.01)**	($0.03)	($0.03)
e.	Total Assets	**$2,041,998**	$2,045,711	$2,126,946
f.	Total long-term financial Liabilities	**$Nil**	$Nil	$Nil
g.	Cash dividends declared per share	**N/A**	N/A	N/A

***The final quarter of the year ended August 31, 2017 recorded a impairment of exploration and evaluation assets accounting for ($11,249) compared to ($92,176) in the previous year ended August 31, 2016. The major decrease in operating expenses for the year was related to Travel & Promotion $8,584 ($47,057 - 2016); Professional Fees $20,203 ($38,075 – 2016) related to reduced legal and accounting transactions completed during the current year; and Consulting Fees –Nil ($16,080 in 2016).**

******The final quarter of the year ended August 31, 2016 recorded an impairment of exploration and evaluation assets accounting for ($92,176) compared to ($8,264) in the previous year ended August 31, 2015. The major decrease in operating expenses for the year was related to Travel and Promotion $47,057 compared to $181,552 in the previous year. This was offset by an increase in the cost of issuing loan Bonus shares ($9,000 in 2016; $Nil in 2015); and Loan Interest expense of ($31,638 in 2016; $19,737 in 2015).

**The final quarter of the year ended August 31, 2015 recorded an impairment of exploration and evaluation assets accounting for ($8,264) compared to ($392,952) in the previous year ended August 31, 2014. The major increase in operating expenses for the year was related to Travel and Promotion $181,552 compared to $31,651 in the previous year. This was offset by a decrease in Shared-based compensation of $41,430 in the current year, compared to $172,772 in the previous year (a non-cash item).

1.4 Results of Operations up to and including the Quarter Ended November 30, 2017:

The Company reports its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The Company's MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company's development and financial situation. A significant part of the Company's value is in Resource Property Interests relating to the Serpent River-Ontario project.

For the three months ended November 30, 2017, the Company reported in its Statement of Operations a Total comprehensive loss of ($52,783) compared to a Total comprehensive loss of ($30,661) for the three months ended November 30, 2016. **Total operating expenses increased by $9,473 (approx. 21.9% for the three months ended November 30, 2017 compared to the three months ended November 30, 2016.**

The Company has no producing properties, and consequently no sales or revenues.

Operating Expenditures for the three month period ended November 30, 2017 with comparatives to November 30, 2016:

<u>Increases</u> were in:

- **Bank and Interest charges $1,259 in 2017 ($1,087 in 2016) relating to overdue charges on certain accounts payable.**
- **Consulting fees of $2,400 in 2017 ($nil in 2016) relating to additional project investigation.**
- **Loan Interest $10,446 paid/accrued in 2017 ($8,955 in 2016) as a result of the additional short term loans of $20,000 arranged on May 30, 2017, $15,000 CDN arranged on December 5, 2016 in addition to previous loans incurred in the amounts of $50,000 USD in 2014 and $75,000 CDN in 2015.**
- **Filing and Transfer Agent Fees $4,697 in 2017 ($3,385 in 2016), a slight increase.**
- **Professional fees of $7,000 in 2017 ($1,200 in 2016) is the largest increase due to additional legal fees related to filings with the regulatory authorities.**
- **Travel and promotion $1,305 in 2017 ($802 in 2016) was due to increased costs in related to the corporate website and internet presence.**

<u>Decreases</u> were in:

- **General office operations and overhead including Rent, Telephone, and Office miscellaneous $8,968 in 2017 ($9,337 in 2016) also decreased marginally; although fewer companies shared office space, additional cost cutting measures reduced overheads.**
- **Salaries and Benefits were $1,708 in 2017 ($3,544 in 2016). A part-time office employee was hired for several months in the first quarter of the previous year to clear-off a number of office housekeeping matters; as well as costs incurred for the Company portion of CPP and EI deductions relating to payments of accrued management fees, also in the previous year.**

Management Fees of $15,000 in 2017 ($15,000 in 2016) remained the same since the increase of $500 per month on February 1, 2012. In February 2016 the agreement was renewed for an additional two years at the same monthly fee.

<u>Other Income (loss):</u> In 2016 the Company settled debt totaling $48,398 with an arms-length creditor through the issuance of 196,000 units. The units were valued at $24,500 resulting in a gain on settlement of $23,898. The Company also incurred ($11,249) in costs on the Chuchinka property to maintain title –an impairment of exploration and evaluation assets.

1.5 <u>Summary of Quarterly Results:</u>

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

For the Quarterly Periods Ending on	**November 30, 2017**	**August 31, 2017**	**May 31, 2017**	**February 28, 2017**
Total Revenues	**$Nil**	$Nil	$Nil	$Nil
Net Income (Loss) before Other Items	**($52,783)**	($63,829)	($41,556)	($50,829)
Total Comprehensive Income (Loss) per quarter	**($52,783)**	($70,293)	($41,556)	($50,829)
Basic and diluted Net (Loss) per share	**($0.00)**	($0.01)	($0.00)	($0.00)

For the Quarterly Periods Ending on	**November 30, 2016**	**August 31, 2016**	**May 31, 2016**	**February 29, 2016**
Total Revenues	$Nil	$Nil	$Nil	$Nil
Net Income (Loss) before Other Items	($43,310)	($72,562)	($112,492)	($66,036)
Total Comprehensive Income (Loss) per quarter	($30,661)	($163,433)	($112,492)	($66,036)
Basic and diluted Net (Loss) per share	($0.00)	($0.01)	($0.01)	($0.01)

November 30, 2017 – the major increases in the last quarter were in due to increase in professional fees to $7,000 ($1,200 in 2016); consulting fees of $2,400 ($nil in 2016); and additional loan interest expense of $10,446 ($8,955 in 2016).

August 31, 2017 – the major decreases in the last quarter were in similar operating expenses as the previous two quarters. The Company also recognized a gain on debt settlement of $17,434.

May 31, 2017 – the four major decreases are: Consulting Fees $Nil ($10,080 in 2016); Professional fees of $1,200 ($13,300 in 2016); Share-based payments of $Nil ($36,698 in 2016); and Travel & promotion expense of $2,045 ($9,109 in 2016).

February 28, 2017 – the decrease is a result of reduced travel and promotional expense of $4,093 ($18,451 in 2016) and reduced professional fees of $3,303 ($6,800 in 2016).

1.6 Liquidity:

At November 30, 2017**,** the Company had a working capital deficiency of ($857,286). At August 31, 2017 the Company had a working capital deficiency of ($933,683). It should be noted that a considerable amount of the liabilities are due to related parties $345,594 owing to the CEO/President as accrued salary and expenses; and $97,772 to a Company with directors and officers in common). The amounts are non- interest bearing.

The Company has minimum working capital to continue administrative operations, and will continue to raise financing in order to provide care and maintenance on its mineral properties and further financing if available to continue developing its mineral properties. The Company also continues to search for joint venture partners in order to develop some of its mineral prospects (**See Crackingstone/Orbit Lake, Serpent River (Uranium and Rare Earth Elements claims) and the Chuchinka Properties – previous Section 1.2 Mineral Interests).**

1.7 Capital Resources:

The Company's sources of funds are derived from: (i) private placement financings (flow through and non-flow through); (ii) loans; and (iii) disposition of a portion or all of its mineral prospects. There can be no assurance, however, that the Company will be able to obtain required financing in the future on acceptable terms.

Financings and Share Issuances/Transactions:

(i) During the first quarter ended November 30, 2017 the Company issued:

- **October 12, 2017** – Pursuant to a private placement financing 2,650,000 units were issued at $0.05 per unit for total gross proceeds of $132,500. The unit financing consisted of one common share and one transferable common share purchase warrant. One warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per share until October 12, 2019. Finder's fees of $3,200 cash were paid and 92,000 broker's warrants were issued. The broker's warrant has the same terms as above.

Cash balances increased by $18,889 during the three months ended November 30, 2017 and decreased by $5,897 during the comparative three months ended November 30, 2016.

During the three months ended November 30, 2017, net cash used in operating activities was $74,902 compared to a net used in operating activities was $33,429 during the three months ended November 30, 2016.

Net cash used in investing activities during the three months ended November 30, 2017 was $2,054 compared with cash used in investing activities of $nil during the three months ended November 30, 2016.

Cash provided from financing activities including increases due to related parties during the three months ended November 30, 2017 was $95,845 compared with cash provided by financing activities of $27,532 during the three months ended November 30, 2016.

As of November 30, 2017, the Company had shareholders' equity of $1,171,344. The capital to date was from proceeds of the issuance of common shares. **The Company did not have any revenues during the three months ended November 30, 2017.**

See Subsequent Events Section 1.14 (A. (v) following for further information.

1.8 Off-Balance Sheet Arrangements:

The Company has no long-term debt, does not have any used lines of credit or other arrangements in place to borrow funds, and has no undisclosed off-Balance Sheet Arrangements.

1.9 Transactions with Related Parties:

The Company shares office facilities and has common management and directorships with a number of public and private corporations. The Company is charged for office rentals and office services on a proportional cost basis. **Charges of $9,867 (2016 –$9,841) were incurred in the period with a related company.** Management believes that the methods of cost allocations and resultant costs are reasonable.

These related party transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Amounts owing to related parties is unsecured, non-interest bearing and have no specific terms for repayment.

The Company has renewed the management services agreement with the President/CEO for $5,000 per month effective February 1, 2016, for a further two-year term. **During the three months ended November 30, 2017 a total of $15,000 (2016 - $15,000) was accrued/paid**.

The Company and Belmont Resources Inc. (a public company related through common directors), are 50:50 joint venture partners in the Crackingstone, and Orbit Lake- Saskatchewan Projects. Belmont is acting as the operator and incurs the expenditures for the project and invoices Montoro 50% of the costs plus 5% administration fee. **No new charges were incurred during the three months ended November 30, 2017 for exploration programs on the joint Crackingstone/Orbit properties near Uranium City, Saskatchewan.**

Amounts due to related parties:

	November 30, 2017	August 31, 2017
Gary Musil, CEO/President	$ 345,594	$ 357,087
Belmont Resources Inc.	97,772	102,746
	$ 443,366	$ 459,833

On May 30, 2017 the Company received a loan of $20,000 from a director. Terms include interest of 12% per annum, compounded monthly and repayable on demand. As at November 30, 2017, the Company has recorded interest expense of $623 for the period and has accrued total interest payable of $1,241. On December 18, 2017 the Company repaid the loan in full. A total of $21,346 was paid, including $1,346 in accrued interest.

1.10 Proposed Transactions/Commitments:

In order for the Company to maintain its interests in its mineral properties, it will be required to make the following option payments: Nil

1.11 Critical Accounting Estimates:

Our financial statements have been prepared in conformity with International Financial Reporting Standards ("IFRS") and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, the fair value of investments and share-based compensation. Financial results as determined by actual events could differ materially from those estimates.

Risk management:

The Company's mineral property holdings and exploration activities create potential exposure to environmental liabilities, including site reclamation. The Company is currently in the initial exploration stages on its Canadian property interests and management has not determined whether significant site reclamation costs will be required. The Company records liability for site reclamation when determinable on a systematic accrual basis in the period in which such costs can be reasonably determined.

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. Due to current economic conditions in capital markets the Company has a high risk associated with liquidity. The Company does not hold complex financial instruments or significant long-term assets.

1.12 Changes in Accounting Policies including Initial Adoption:

Certain new accounting standards and interpretations have been published that are not mandatory for the **November 30, 2017** reporting period. The Company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements. The following is a brief summary of the new standard:

IFRS 9 Financial Instruments – IFRS 9 is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". The standard will be effective for annual periods beginning on or after January 1, 2018.

1.13 Financial & Other Instruments:

The Company's financial instruments consist of cash, amounts due to related parties, promissory notes, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from the financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

1.14 Other MD&A Requirements:

Additional disclosure of the Company's material documents, information circulars, material change reports, news releases, and other information related to the Company can be obtained on SEDAR at www.sedar.com as well as the Company's website www.MontoroResources.com

A. SUBSEQUENT EVENTS FROM NOVEMBER 30, 2017 TO DATE:

(i) Warrants Exercised/Expired: Nil exercised. Nil expired unexercised.

(ii) Options Exercised/Expired: Nil exercised. Nil expired unexercised.

(iii) Grant of Options: On January 8, 2018, the Company granted 2,005,000 incentive share options exercisable at a price of $0.06 per share expiring on January 8, 2021 to directors, officers, and consultants.

(iv) Termination of Options: Nil

(v) Other Transactions and News Releases:

- **December 18, 2017** the Company repaid the loan advanced by a director. A total of $21,346 was paid, including $1,346 in accrued interest.

- **December 27, 2017** the Company issued a total of 2,155,000 flow-through units at $0.055 per unit for total proceeds of $118,525. The unit financing consisted of one flow-through common share and one transferable common share purchase warrant. One warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per share until December 27, 2019. Finder's fees of $4,796 cash was paid and 87,200 non-transferable broker's warrants was paid. The warrant has the same terms as above. The majority of these flow-through funds raised will be applied against the contracted helicopter-borne ZTEM survey over the Company's Pecor anomaly as previously described in previous Section – Mineral Interests 1.2 (a) Serpent River.

- **January 5, 2018** the Company issued a total of 3,900,000 non flow-through units at $0.05 per unit for total proceeds of $195,000. The unit financing consisted of one non flow-through common share and one transferable common share purchase warrant. One warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per share until January 5, 2020. Finder's fees of $5,500 cash was paid and 112,000 non-transferable broker's warrants was paid. The warrant has the same terms as above.

- **January 8, 2018** the Company announced that it has been assigned the Legal Entity Identifier ("LEI") number 529900IK4FY2BJ4Q3S30. The European Union has adopted regulations that require use of the LEI as a barcode equivalent aimed at pinpointing systemic risks.

B. AUTHORIZED AND ISSUED SHARE CAPITAL AS AT JANUARY 23, 2018:

Authorized – Unlimited common shares without par value
Issued and Outstanding: 23,957,105 common shares

C. OPTIONS, WARRANTS & CONVERTIBLE SECURITIES OUTSTANDING AS AT JANUARY 23, 2018:

The following options, warrants, and convertible securities were outstanding as at January23, 2018:

(i) Options

Number	Exercise Price	Expiry Date
70,000	$0.35	April 23, 2018
270,000	$0.25	April 19, 2019
40,000	$0.25	August 25, 2019
2,385,000	$0.06	January 8, 2021
2,385,000		

(ii) Warrants

Number	Exercise Price	Expiry Date
456,000	$0.50	March 11, 2018
478,000	$0.50	March 29, 2018
220,000	$0.50	April 11, 2018
196,000	$0.50	October 28, 2018
2,742,000	$0.05	October 12, 2019
2,242,200	$0.10	December 27, 2019
4,012,000	$0.10	January 5, 2020
10,346,200		

D. EVALUATIONS OF DISCLOSURE CONTROLS AND PROCEDURES

Based on our evaluation **for the period ended November 30, 2017**, and up to the date of this Management Discussion and Analysis, we have concluded that our disclosure controls and procedures are sufficiently effective to provide reasonable assurance that material information required to be disclosed in the Company's interim and annual filings and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and that the material information is accumulated and communicated to Management of the Company, including the President and Chief Financial Officer, as appropriate to allow timely disclosure regarding required disclosure.

E. CORPORATE GOVERNANCE DISCLOSURES

The Company has submitted to its members and shareholders details in the Information Circular **May 23, 2017** Corporate Governance Disclosure guidelines that have been presented to the Board of Directors for period review. Some of those guidelines are: Outlining the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Management of the Company periodically updates directors with regulatory policy changes. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. The Company's Information Circular can be reviewed on www.Sedar.com

F. RISKS AND UNCERTAINTIES

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical. The Company has no producing properties, no significant source of operating cash flow and consequently no sales or revenue from operations. The Company has either not yet determined whether its mineral properties contain mineral reserves that are economically recoverable or where reserves have been determined, mining operations have not yet commenced. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish reserves.

The property interests in whom the Company has an option to earn an interest are in the exploration stages only, are without and may not result in any discoveries of commercial mineralization, and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines, the result being the Company will be forced to look for other exploration projects. The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters.

INTERNATIONAL MONTORO RESOURCES INC.

CORPORATE DATA

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Listings

TSX Venture Exchange
Symbol: IMT

Frankfurt Stock Exchange
Symbol: O4T

Share Capitalization
(November 30, 2017)

Authorized: Unlimited
Issued & Outstanding: 17,902,105