YORBEAU RESOURCES INC.
(“Yorbeau” or the “Company”)

Management's Discussion and Analysis
for the year ended December 31, 2018

The following Management’s Discussion and Analysis (“MD&A”) was prepared as at March 27, 2019 and should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2018 and the accompanying notes. The Company’s audited annual financial statements for the year ended December 31, 2018 and the accompanying notes have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies described therein.

Certain statements contained in this MD&A constitute forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in these forward-looking statements are based on reasonable assumptions but no assurance can be given that these expectations will prove to be correct.

General

During the year ended December 31, 2018, the Company completed the following transactions:

The Company completed a private placement and issued a total of 19 010 000 flow-through shares at a price of $0.05 for gross proceeds of $950 500.

On December 17, 2018, Yorbeau signed a definitive option agreement (‘Option Agreement’) with IAMGOLD Corporation (“**IAMGOLD**”), whereby IAMGOLD has an option to acquire a 100% interest in the Rouyn property (the “**Property**”) in Quebec, Canada.
The Option agreement provides that, subject to certain conditions, IAMGOLD would make certain cash payments and incur exploration expenditures towards an option to purchase a 100% interest in the Rouyn property. In order to earn the purchase option, IAMGOLD must:

1. make an initial cash payment to Yorbeau on December 17, 2018 (the Effective date of an amount of C$1 million;
2. fund and incur C$9 million of exploration expenditures in a period of up to 48 calendar months following the Effective Date (the “**Expenditure Period**”), including minimum exploration expenditures in each 12month period of the Expenditure Period and at least 20,000 meters of diamond drilling within a 24-month period following the later of the Effective Date or the date all requisite governmental approvals or consents for the drilling program shall have been obtained;
3. make interim cash payments to Yorbeau during the Expenditure Period of an aggregate amount of C$3 million;
4. complete a resource estimate for the Property in accordance with IAMGOLD’s standard estimation and reporting practices subject to detailed technical parameters agreed to between IAMGOLD and Yorbeau; and
5. make a final cash payment to Yorbeau, in three instalments over up to a two-year period following the Expenditure Period, in an aggregate amount equal to the lesser of (a) an amount calculated by multiplying the total number of ounces of gold identified in the resource estimate by C$15.00 and (b) C$30 M.

   In addition to the final cash payment, Yorbeau will be issued and granted by IAMGOLD , at the time of exercise of the option, a 2% net smelter return royalty (‘NSR’) on the minerals produced on the Rouyn property. IAMGOLD will be the operator and project manager of the Rouyn property during the option period. Yorbeau will be represented on a technical committee that will oversee the work program.

The Company is continuing its valuation of the other properties in order to optimize its future exploration activities.

Risk and uncertainties

Exploration and development of mineral deposits may be affected to varying degrees by a number of factors such as government regulations, environmental risks, land use, dependency on key personnel and other risks normally encountered incurred in the mining industry. The Company has many competitors with more financial, technical and other resources than its own.

The exploration, development and operation of the Company's properties may require significant additional financing. The sources of future funds available to the Company are the additional issue of share capital and financing by joint venture and/or the sale of royalties. There is no assurance that such financing will be available to the Company. Failure to obtain sufficient funding may result in delay or indefinite postponement of exploration, development or production work to any or all of the Company's properties, and may even result in loss of ownership in the property.

Results of activities

Administration

During the year ended December 31, 2018, the Company achieved net loss of $1,004,277 compared to a net income of $1,720,554 the previous year. This represents a net loss of $0.01 per share. Revenues for the year totaled $56,024 (excluding a non-cash flow-through share item) compared to $2,424,528 for the year ended December 31, 2017. Revenues consist of: (i) a $17,463 representing the fees billed to IAMGOLD; (ii) an amount of $7,961, representing the miscelleanous fees billed by Yorbeau; (iii) an amount of $30,600 representing the lease costs of $4,200 invoiced to 1948565 Ontario Inc. for the storage of cores on the Yorbeau property and the $26,400 fee charged to IAMGOLD Corporation for the rental the Yorbeau Core Library located in Chibougamau. Expenses for the year totaled $1,221,479 (excluding non-cash items of share-based payments compared to $1,176,326 (excluding non-cash items of share-based payments and amortization) at the year ended December 31, 2017. The administrative expenses for the year, the details of which are shown in the table below, increased by $167,188 compared to the previous year.

	2018	2017
Professional fees	$ 400,125	$ 240,453
Investor Relations	150,802	169, 397
Wages	232,979	267,150
Various	151,428	87,565
Rent	68,707	69,162
Insurance	11,824	11,909
Taxes, permits, fees	543	3,584
Total	$ 1,016,408	$ 849,220

Mining properties and exploration and evaluation assets

During the year, the Company incurred a total of $1,440,379 in exploration expenses (compared to $1,950,361 in the previous year), which were incurred primarily on the Rouyn, Estrades-Caribou and KB properties. Significant items in exploration expenditures are drilling costs of $638,023 and salaries and consulting costs for geologists and technicians totaling $618,457.

As a result of these exploration costs and expenses, the Company's mineral properties and exploration and evaluation assets increased to $22,260,139 as at December 31, 2018 (compared to $21,976,047 as at December 31, 2017), of which the amount of $15,575,051 represents the net book value of the Rouyn property.

Selected annual information

The following table presents selected yearly financial information for each of the three most recent fiscal years :

		2018		2017		2016
Revenu	$	56,024	$	2,424,528	$	93,064
Other income related to flow-through shares	$	222,345	$	476,181	$	579,881
Total income	$	278,369	$	2,900,709	$	672,945
Profit (loss) and loss of comprehensive income	$	(1,004,277)	$	1,720,554	$	(547,556)
Net profit (loss) per share, basic and diluted	$	(0.01)	$	0.01	$	(0.01)
Total assets	$	28,211,305	$	28,355,782	$	26,075,376
Long-term liabilities	$	279,000	$	279,000	$	279,000

Summary of quarterly results

The following table presents cumulative quarterly information for each of the eight most recently completed quarters:

Cumulative Information as at		Revenues		Net earnings (Net loss)		Net earnings (net loss) per share basic and diluted
December 31, 2018	$	278,369	$	(1,004,277)	$	(0,01)
September 30, 2018	$	253,145	$	(476,925)	$	(0,01)
June 30, 2018	$	243,095	$	(249,208)	$	(0.00)
March 31, 2018	$	217,745	$	13,429	$	(0.00)
December 31, 2017	$	2,900,709	$	1,720,554	$	0.01
September 30, 2017	$	2,931,469	$	2,261,675	$	0.01
June 30, 2017	$	2,693,163	$	2,204,579	$	0.01
March 31, 2017	$	303,376	$	92,698	$	(0.00)

Liquidity

The Company finances its activities primarily through the sale of its shares. The Company also considers other financing alternatives, such as financing by joint venture.

During the year, the Company completed a private placement, as described under "General", pursuant to which it issued 19,000,010 flow-through shares at a price of $0.05 per share for gross proceeds of $950,500.

The Company will require $400,000 to fund its 2019 corporate expenses. As for the 2019 exploration expenditures, the company will put in place the required financing after analyzing the results of ongoing programs.

Capital Resources

The Company has committed to carry out eligible exploration and exploration work for an amount of $919,222 before December 31, 2018 in relation to the flow-through financing completed in 2017. As at December 31, 2018, the Company had paid its commitments.
As for the $950,500 accrued financing in 2018, the Company committed to carry out eligible exploration and exploration work for an amount of $950,500 by December 31, 2019.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the carrying amount of assets, liabilities, liabilities and other assets, products and expenses. Actual results may differ from these estimates.

Assumptions and estimates uncertainties that present a significant risk of causing a material adjustment in the next fiscal year are recognized in relation to:

- Recoverability of mining properties and exploration and evaluation assets;
- Assessment of resource credits and refundable mineral rights credits;
- Assessment of the provision for site restoration;
- Recoverability of deferred tax assets;
- Fair value measurement of the flow-through share liability.

The estimates and underlying assumptions are reviewed regularly. Any revision of accounting estimates is recognized in the period in which the estimates are revised and in future periods affected by those revisions.

New accounting standards and interpretations not yet adopted

The following new standards have been published but have not yet been applied by the Company:

IFRS 16, *Leases*

In January 2016, the IASB issued IFRS 16, Leases, which will replace IAS 17, Leases. The standard will require all leases of more than 12 months to be reported on a company's statement of financial position as assets and liabilities. The new standard is effective for annual periods beginning on or after January 1, 2019, and is available for early adoption for companies that also apply IFRS 15, Revenue from Contracts with Customers. The Company expects that its operating leases will need to be recognized in its consolidated statement of financial position on initial adoption of IFRS 16.

Controls and procedures for the communication of information

The Company's Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the Company's disclosure controls and procedures at the end of the year ended December 31, 2017. Based on that evaluation, managers have concluded that, at this time, these disclosure controls and procedures are not effective as they have a significant weakness, as described in more detail in the section "Internal Control over financial reporting". These material weaknesses could give rise to material misstatements in the financial statements of the Company and are also considered to be a material weakness of the Company's internal control over financial reporting. Management has concluded and the Board of Directors has approved that, given the current size of the Company, its current stage of development and the current interest of shareholders, the Company does not have the resources to hiring additional staff to correct this deficiency.

Internal control over financial reporting

The Chief Executive Officer and Chief Financial Officer of the Corporation have designed, or have had under their supervision, design an internal control over financial reporting to provide reasonable assurance that the financial information is reliable and that the financial statements have been prepared in accordance with IFRS. This internal control over financial reporting is not effective because it has the following significant weaknesses:

- there is an inadequate separation of duties as previously mentioned in “Disclosure controls and procedures”;
- there is no formal process to identify long-term asset impairment; and
- there is no formal process to evaluate the provision for site restoration.

Management has concluded and the Board of Directors has approved that, given the current size of the Company, its current stage of development and the current interest of shareholders, the Company does not have the resources to hiring additional staff to correct the deficiency resulting from inadequate separation of duties.

Management frequently has discussions with third parties regarding its mineral properties and the possibility of forming joint ventures and other transactions. As a result, despite the absence of a formal process to identify long-term asset impairment, management believes that a material misstatement in the valuation is unlikely due to the information obtained from discussions with potential industry partners.

With respect to the lack of a formal assessment process for the site restoration provision, it is management's opinion that a material misstatement is unlikely since only two properties of the Company are subject to restoration work and that an assessment of the provision for site restoration of these two properties has been made recently.

There has been no change to the Company's internal control over financial reporting during the Corporation's quarter ended September 30, 2018, which has or may reasonably be expected to have a material impact on the Company's internal control over financial reporting.

Disclosure of technical and scientific information

The qualified person under NI 43-101 who reviews and approves the technical and scientific information disclosed in the Company's press releases and other continuous disclosure documents is Gérald Riverin, PhD, P. Geo.

Transactions with related parties

In partial consideration for the acquisition of 12 mining claims that are now part of the Rouyn property, the Corporation has agreed, under an agreement dated July 14, 1997, to pay to Société Minière Alta Inc. ("Alta") a royalty of $50,000 per year. Royalty payments are charged to the consolidated statement of comprehensive income as these payments will never be recovered. G. Bodnar Jr., a director of the Company, is the sole shareholder of Alta.

Financial instruments

Financial instruments used by the Company consist of cash and cash equivalents, other notes receivable, trust deposits and suppliers and other payables. Cash and cash equivalents are invested in short-term investments with maturities of three months or less and are used for working capital and other corporate purposes.

Information on current shares

The authorized capital of the Company consists of an unlimited number of Class A common shares of which 326,549,013 were issued and outstanding as of December 31, 2018. At that date, the Company also had outstanding options to purchase a total of 7,025,000 shares at prices ranging from $0.035 to $0.18 per share.

Additional information

Additional information regarding the Company is available on SEDAR at www.sedar.com.