WELCOME TO OUR MANAGEMENT DISCUSSION & ANALYSIS

This management discussion & analysis ("MD&A") includes information that will help you understand management's perspective of our audited financial statements and notes thereto for the year ended December 31, 2018. This information is based on what we knew on March 29, 2019. This MD&A includes statements and information about our expectations for the future and things that have not yet taken place. We highlight the section titled "Forward-Looking Information" for further information.

We encourage you to read our audited financial statements and notes for the year ended December 31, 2018. You can find more information about Strategic Resources, including our most recent filings on SEDAR, at www.sedar.com.

Unless we have otherwise specified, all dollar amounts are stated in Canadian dollars. The financial information included in this MD&A and in our financial statements and notes is prepared according to International Financial Reporting Standards ("IFRS").

Throughout this document, the terms we, us, our, the Company, Strategic and Strategic Resources refer to Strategic Resources Inc.

GENERAL

Strategic Resources Inc. (or the "Company") was incorporated in the province of Ontario on October 25, 2004 and was continued to British Columbia on June 7, 2016. The Company's registered office is at Owen Bird Law Corporation, 29th Floor, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J5. Strategic Resources Inc. is a Canadian based resource exploration company.

INVESTOR INFORMATION

Common Shares

The Company's shares are traded on the Toronto Venture Exchange under the symbol STI.

Auditor

Crowe MacKay LLP
1100-1177 West Hastings Street
Vancouver, British Columbia
Canada, V6E 4T5

Transfer Agent

TMX Equity Transfer Services is the registrar and transfer agent for the Company's common shares. For information on shareholdings, lost share certificates and address changes, contact:

TSX Trust Company
2700-650 West Georgia Street
Vancouver, British Columbia
Canada, V6B 4N9
604-696-4237

For Inquiries

mtommasi@gmail.com

COMPANY OVERVIEW

The Company is in the process of evaluating its future direction. The funds are to be used for working capital purposes and to identify new resource property opportunities. The Company is actively seeking new resource projects. We have not yet identified a project with suitable mineral economics.

QUARTERLY RESULTS

Key things to note:

- Individual quarterly results are not necessarily a good indication of annual results due to variations in expenditures as noted throughout this document
- Net income by quarter fluctuates significantly depending on the timing of the grant of stock options, and the corresponding expense recorded associated with the grant of stock options
- Total assets will fluctuate depending on the activities during the quarter, including significant financings and if the expenditures qualify for classification as an asset

Quarter Ended	Revenue ($)	Net Loss ($)	Basic and Diluted Loss Per Share ($)	Total Assets ($)	Long-Term Liabilities ($)	Cash Dividend ($)
December 31, 2018	-	(22,458)	(0.00)	36,762	-	-
September 30, 2018	-	(6,785)	(0.00)	43,563	-	-
June 30, 2018	-	(15,240)	(0.00)	58,311	-	-
March 31, 2018	-	(15,650)	(0.00)	67,350	-	-
December 31, 2017	-	(11,389)	(0.00)	86,328	-	-
September 30, 2017	-	(2,911)	(0.00)	94,672	-	-
June 30, 2017	-	(38,003)	(0.00)	97,510	-	-
March 31, 2017	-	(168,882)	(0.02)	187,860	-	-

Since disposing of the mineral rights to the Gallinas Mountains Rare Earth project in June 2016, the Company has been focused on investigating new resource property projects. During the quarter ended December 31, 2018, the Company incurred transfer agent and legal fees related to its Annual General Meeting and consulting fees related to its financial reporting. During the quarters ended June 30, 2017 and March 31, 2017 the Company incurred significant project evaluation costs consisting of geological and legal fees. In subsequent quarters, the Company has incurred project evaluation costs in smaller amounts as it has assessed opportunities.

Strategic Resources

SELECTED ANNUAL INFORMATION

	Year Ended December 31, 2018	2017	2016
Revenues	$ -	$ -	$ -
Net loss	$ 60,133	$ 221,185	$ 153,023
Basic and diluted loss per share	$ 0.01	$ 0.02	$ 0.03
Dividends per share	$ nil	$ nil	$ nil

	As at December 31, 2018	2017	2016
Total assets	$ 36,762	$ 86,328	$ 336,936
Total non-current financial liabilities	$ -	$ -	$ -

RESULTS OF OPERATIONS

	Year Ended December 31, 2018	2017	$ Change	% Change
Operating expenses				
Office and miscellaneous	**$** 22,800	$ 23,252	(452)	(2)
Personnel	10,500	10,200	300	3
Professional	14,284	17,707	(3,423)	(19)
Project evaluation and investigation	12,549	170,026	(157,477)	(93)
Net loss for the year	**$** (60,133)	$ (221,185)	(161,052)	(73)

During the year ended December 31, 2018, the Company incurred a net loss of $60,133, as compared to $221,185 during the same period in the prior year. There was a decrease in net loss of $161,052 or 73% during the year ended December 31, 2018, as compared to December 31, 2017. The decrease in project evaluation and investigation expenses was 98% of the decrease in net loss for the year. Significant operating expenses and variations of operating expenses that incurred during the year ended December 31, 2018, as compared to the year ended December 31, 2017 include:

Office and Miscellaneous	**2018**	**2017**	**Change ($)**	**Change (%)**
Expense	$22,800	$23,252	(452)	(2)

Office and miscellaneous expense includes the Company's transfer agent fees, stock exchange fees, annual general meeting costs and other associated public company costs. Office and miscellaneous costs were comparable to the prior year which reflect the nature of operation was consistent with the prior year.

Personnel	2018	2017	Change ($)	Change (%)
Expense	$10,500	$10,200	300	3

Personnel expense includes the amounts charged by the Company's management for services rendered. Personnel expense was similar to the same period in the previous year, as nature of the operation was consistent of the prior year. None of the current directors of the Company have a contractual arrangement with the Company for consulting fees, which reflects the reduced activity in the Company. The amounts incurred during the current year were consulting fees paid to the Company's Chief Financial Officer and Corporate Secretary.

Professional	2018	2017	Change ($)	Change (%)
Expense	$14,284	$17,707	(3,423)	(19)

Professional expense decreased during the current period as compared to the same period in the previous year due to the reduction of legal services required during the current year as compared to the previous year, which reflects the nature of the current operations of the Company.

Project evaluation and investigation	2018	2017	Change ($)	Change (%)
Expense	$12,549	$170,026	(157,477)	(93)

Project evaluation and investigation costs incurred consist of expenses incurred by the Company to evaluate business opportunities. During the current year, the Company obtained legal services and geological services related to evaluating mineral property opportunities. The Company has not yet identified a project to advance from its project evaluation and investigation activities undertaken.

Three Months Ended December 31, 2018

	Three Months Ended December 31,					
		2018		2017	$ Change	% Change
Operating expenses						
Office and miscellaneous	$	9,600	$	10,787	(1,187)	(11)
Personnel		1,500		1,500	-	0
Professional		3,818		(915)	4,733	(517)
Project evaluation and investigation		7,540		17	7,523	44253
Net loss for the period	$	22,458	$	11,389	11,069	97

During the three months ended December 31, 2018, the Company incurred a net loss of $22,458, as compared to $11,389 during the same period in the prior year. There was an increase in net loss of $11,069 or 97% during the three months ended December 31, 2018, as compared to December 31, 2017. Significant operating expenses and variations of operating expenses that were incurred during the three months ended December 31, 2018 were consistent as a result of evaluating potential opportunities.

LIQUIDITY AND CAPITAL RESOURCES

The Company's historical capital needs have been met by raising funds through the issuance of equity and debt instruments. As at December 31, 2018, the Company had cash and cash equivalents of $36,253 while its total debt amounted to $27,925. The Company has does not have sufficient funds on hand to meet its ongoing operating requirements and its current obligations for the next twelve months. Subsequent to year-end the Company received loan proceeds of $100,000. This loan bears interest at the rate of 1% per month and matures on the earlier of February 5, 2021 or the date the Company closes an equity financing of at least $1,000,000

If the Company is successful in identifying a new project, the costs to acquire could be significant and additional funds will be required to fund the acquisition and future exploration programs. If an exploration program is successful, significant funds will be needed to develop the project and with the eventual goal to place it into commercial production. The only sources of future funds available to the Company are further offerings of either debt or equity capital of the Company, or the sale by the Company of an interest in any future properties acquired, in whole or in part. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and shareholders may suffer dilution.

The long-term continuation of the Company as a going concern is dependent on its ability to attain future profitable operations and/or obtain continual additional equity capital or debt financing to continue to finance future operations as required. During its 2018 fiscal year, the Company does not expect to generate profits, as it does not have any revenue-generating activities as of the date of this MD&A. Until the Company reaches the point of generating sufficiently profitable operations to meet its ongoing operating requirements, the Company will need to continue raising funds. Should the Company be unable to continue as a going concern, the realization of any assets it owns may be at amounts significantly less than their carrying values.

Share Structure

As at March 29, 2019, the Company's share structure, basic and fully diluted, is shown below.

	Number of Instruments Outstanding	Weighted Average Exercise Price ($)	Potential Proceeds from Exercise ($)	Weighted Average Remaining Life of Derivative (years)
Common Shares	9,173,302	-	-	-
Warrants	434,780	0.23	$100,000	1.88
	9,608,082	-	$100,000	-

The Company has a stock option plan that has been approved by the shareholders and the TSX Venture. No options were outstanding under the stock option plan as at December 31, 2018 or the date of this MD&A.

Cash Flows

		Year Ended December 31, 2018		2017
Cash and cash equivalents, beginning of the year	**$**	**80,682**	$	327,026
Cash and cash equivalents used by operating activities		**(44,429)**		(246,344)
Cash and cash equivalents, end of the year	**$**	**36,253**	$	80,682

Cash and cash equivalents used by Operating Activities

Cash and cash equivalents used by operations was 82% lower during the year ended December 31, 2018, as compared to the same period in 2017. In the previous year, the Company paid $170,026 of project evaluation costs for which there were limited amounts paid in the current year. In the current year, the Company's cash and cash equivalents were used to pay operating expenses.

Cash and cash equivalents used by Investing Activities

There were no cash and cash equivalents used in investing activities during the years ended December 31, 2018 or 2017.

Cash and cash equivalents used by Financing Activities

During the current year, the Company did not undertake any financing activities.

Financial Condition

	2018 ($)	2017 ($)	Change ($)	Change (%)
Cash and cash equivalents	36,253	80,682	(44,429)	(55)
Total Assets	36,762	86,328	(49,566)	(57)
Total Debt	27,925	17,358	10,567	61
Working Capital	8,837	68,970	(60,133)	(87)
Debt as a % of Total Capitalization*	76	20	N/A	56

* Total capitalization refers to total debt and shareholders' equity

Assets

Of the total assets, 99% consists of cash and cash equivalents, which was raised through its private placement during the year ended December 31, 2016. The Company holds its cash and cash equivalents with a national chartered bank and is not exposed to significant credit, price or other financial instrument risk. The Company does not have any other significant financial assets.

Liabilities

The Company's debt consists of accounts payable and accrued liabilities. The accounts payable and accrued liabilities consist of trade payables incurred in the normal course of business and usually payable within 30 days of receiving the invoice. The Company's financial liabilities consist of accounts payable and accrued liabilities. The Company does not have any significant interest rate, foreign exchange or other market risks related to its liabilities.

Contractual Obligations and Off-Balance Sheet Activities

The Company had no other contractual obligations or off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

The Company paid consulting fees to its Chief Financial Officer totaling $10,500 during the year ended December 31, 2018 (2017 - $10,200). The Company has no contractual commitment or arrangements with any of its related parties at December 31, 2018. There were no amounts owed to related parties as at December 31, 2018 or 2017.

Subsequent to the Company's private placement, the majority of the amounts due to related parties were assigned to arm's length parties and the related liability was extinguished.

ADDITIONAL INFORMATION

Proposed Transactions

The Company does not have any proposed transactions at this time.

Internal Controls and Procedures

In contrast to the certificate required under National Instrument 52-109 *Certificate of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representation relating to the establishment and maintenance of:

a. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
b. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's generally accepted accounting policies.

The Company's certifying officers are responsible for ensuring processes are in place to provide them with sufficient knowledge to support the representations they are making in their certification.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Critical Accounting Estimates

The Company's discussion and analysis are based on its financial statements that have been prepared in accordance with IFRS. The preparation of financial statements requires management to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, management re-evaluates its estimates and judgments, particularly those related to the determination of the impairment of long-lived assets.

As we are a venture issuer, we do not provide an analysis of our critical accounting estimates.

New Standards Adopted

IFRS 9 *Financial Instruments*

IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. IFRS 9 replaces the multiple category and measurement models in IAS 39 *Financial Instruments: Recognition and Measurement* for debt instruments with a new mixed measurement model having only two categories: amortized cost and fair value through profit and loss. IFRS 9 also replaces the models for measuring equity instruments and such instruments are either recognized at fair value through profit and loss or at fair value through other comprehensive income. Additional amendments include introduction of a new hedge accounting model and a new expected-loss impairment model. The adoption of this standard has had no impact on the Company's financial statements.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 clarifies the principles for recognizing revenue from contracts with customers. The adoption of this standard has had no impact on the Company's financial statements.

Amendments to IFRS 2 *Share-based Payment*

These amendments added guidance that introduces accounting requirements for cash-settled share-based payments that follow the same approach as used for equity-settled share-based payments. They introduced an exception into IFRS 2 so that a share-based payment where the entity settles the share-based payment arrangement net is classified as equity-settled in its entirety, provided the share-based payment would have been classified as equity-settled had it not included the net settlement feature. Finally, they clarify the accounting treatment in situations where a cash-settled share-based payment changes to an equity-settled share-based payment because of modifications of the terms and conditions. The adoption of this standard has had no impact on the Company's financial statements.

New Standards Not Yet Adopted

IFRS 16 Leases

The new standard will replace IAS 17 *Leases* and eliminates the classification of leases as either operating or finance leases by the lessee. The treatment of leases by the lessee will require capitalization of all leases resulting in an accounting treatment similar to finance leases under IAS 17. Exemptions for leases of very low value or short-term leases will be applicable. The new standard will result in an increase in lease assets and liabilities for the lessee. Under the new standard the treatment of all lease expense is aligned in the statement of earnings with depreciation, and an interest component recognized for each lease, in line with finance lease accounting under IAS 17. IFRS 16 will be effective for the Company's December 31, 2019 year-end. The Company is currently evaluating the impact this standard is expected to have on its consolidated financial statements.

FORWARD-LOOKING INFORMATION

The financial information in the MD&A and in our financial statements and notes are prepared according to IFRS. This MD&A includes statements and information about our expectations for the future. When we discuss our strategy, plans, future financial and operating performance, or other things that have not yet taken place, we are making statements considered to be forward-looking information or forward-looking statements under Canadian securities laws. We refer to them in this MD&A as *forward-looking information.*

Key things to understand about the forward-looking information in this MD&A:

- It typically includes words and phrases about the future, such as: believe, estimate, anticipate, expect, plan, intend, predict, goal, target, project, potential, strategy and outlook (see examples below).
- It includes views of the industry, which is taken to mean the mining and resources industry and uses words such as: sector, industry, segment, marketplace interchangeably.
- It represents our current views, and can change significantly.
- It is based on a number of material assumptions that may prove to be incorrect.
- Actual results and events may be significantly different from what we currently expect due to the risks associated with our business.
- Forward-looking information is designed to help you understand management's current views of our near and longer term prospects, and may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.

In particular, this MD&A may contain forward-looking statements pertaining to the following:

- The Company's business plans;
- The Company's operating history;
- The Company's lack of profitability;
- The Company's exploration, evaluation, investigation and development plans;
- Unpredictable changes to the market prices for resources and the Company's share price (in respect of both inputs and outputs);
- Political, economic and other associated risk;
- The Company's ability to attract and retain qualified management personnel;
- The Company's ability to obtain additional financing on satisfactory terms; and
- The Company's future investments and allocation of capital resources.

The Company has assessed the following material risks, but is not limited to:

- Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits that, though present, are insufficient in size to return a profit from production.
- The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals, and environmental protection.
- The vast majority of exploration projects do not result in the discovery of commercially mineable deposits of mineralized material. Substantial expenditures are required to establish mineralized material reserves through drilling and metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the mineralized material, and construct, renovate or expand mining and processing facilities.
- No assurance can be given that any level of recovery of mineralized material reserves will be realized or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable mineralized material body that can be legally and economically exploited in a future resource property of the Company.
- Market events and conditions, including disruptions in Canadian, United States and international credit markets and other financial systems, and the deterioration of the Canadian, United States and global economic conditions, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on the Company’s ability to fund its working capital and other capital requirements.
- Currently, worldwide securities markets, particularly those in the United States and Canada, have continued to experience a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced unprecedented declines in price that have not necessarily been related to the operating performance, underlying asset values or prospects of such companies.
- Market forces may render it difficult or impossible for the Company to secure places to purchase new share issues at a price that will not lead to severe dilution to existing shareholders, or at all. Therefore, there can be no assurance that significant fluctuations in the trading price of the Company’s common shares will not occur, or that such fluctuations will not materially adversely impact on the Company’s ability to raise equity funding without significant dilution to its existing shareholders, or at all.
- The Company’s planned business of exploration of mineral properties is intensely competitive. The Company may be at a competitive disadvantage in acquiring mining properties because it must compete with other entities and companies, many of which have greater financial resources, operational experience and technical capabilities than the Company.
- The operations of the Company require licenses and permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects, on reasonable terms or at all.
- The success of the Company’s future operations will depend upon numerous factors, many of which are beyond the Company’s control, including (i) the ability to design and carry out appropriate exploration programs on its mineral properties; (ii) the ability to produce minerals

from any mineral deposits that may be located; (iii) the ability to attract and retain additional key personnel in exploration, marketing, mine development and finance; and (iv) the ability and the operating resources to develop and maintain the properties held by the Company. There can be no assurance of success with any or all of these factors on which the Company's operations will depend, or that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities.

- The prices of various metals have experienced significant movement over short periods of time, and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any prospective properties in which the Company obtains an interest may be mined at a profit.
- Fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the conduct of future exploration programs.

The Company has made the following material assumptions regarding, but not limited to:

1. Market conditions upon which we have based our capital expenditure expectations;
2. Liabilities inherent in our operations;
3. Political and economic risks;
4. Changes in regulation;
5. World resource commodity prices and markets;
6. Uncertainties associated with estimated market demand and sector activity levels;
7. Competition for, among other things, capital, acquisitions and skilled personnel;
8. Dependence on key personnel;
9. Employee relations and third party relationships;
10. Our operations will not be significantly disrupted as a result of political instability, nationalization, terrorism, sabotage, blockades, civil unrest, social activism, political activism, equipment breakdown, natural disasters, government actions, political actions, litigation or arbitration proceedings, unavailability of equipment, parts and supplies critical to production and development, labour shortages, or other development or operating risks;
11. Our ability to comply with government, environmental and regulatory requirements;
12. Future expectations regarding tax rates and payments; and
13. Fluctuations in foreign exchange or interest rates and stock market volatility.

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 our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein.

The impact from the difference between estimates, predictions, projections, assumptions for future results, levels of activity, performance or achievements expressed or implied and actual results thereto could be material.