The objective of this Management's Discussion and Analysis Report ("MD&A") released by Cartier Resources Inc. (the "Company" or "Cartier") is to allow the reader to assess our operation and exploration results and our financial position for the three months ended March 31, 2018, compared to the three months ended March 31, 2017. This report, dated May 16, 2018, should be read in conjunction with the unaudited interim condensed financial statements for the three months ended March 31, 2018, and the audited financial statements and accompanying notes for the year ended December 31, 2016. The interim condensed financial statements have been prepared in accordance with International Financial Reporting Standards (IASB). Unless otherwise indicated, all amounts are expressed in Canadian dollars.

Percentage calculations are based on numbers in the financial statements and may not correspond to rounded figures presented in this MD&A.

The Company discloses, on a regular basis, additional information on its operations, which is recorded in the System for Electronic Document Analysis and Retrieval ("SEDAR") in Canada at www.sedar.com.

FORWARD-LOOKING STATEMENT

This document may contain forward-looking statements that reflect management's current expectations with regards to future events. Such forward-looking statements are subject to certain factors and involve a number of risks and uncertainties. Actual results may differ from expected results. Factors that could cause our results, our operations or future events to change materially compared to expectations expressed or implied by the forward-looking statements include, but are not limited to, volatility in the price of gold, risks inherent to the mining industry, uncertainty regarding mineral resource estimations, and additional funding requirements or the Company's ability to obtain such funding.

NATURE OF ACTIVITIES AND CONTINUATION OF EXPLORATION ACTIVITIES

The Company, initially incorporated under Part 1A of the *Québec Companies Act* on July 17, 2006, has been governed by the *Business Corporations Act* (Québec) since February 14, 2011. The Company's head office is located at 1740, Chemin Sullivan, Suite 1000, Val-d'Or, Québec. Its activities primarily include the acquisition and exploration of mining properties. The Company has not yet determined whether its properties contain economically recoverable ore reserves. The recoverability of the amounts shown for mining properties is dependent upon the existence of economic ore reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from the disposal of properties.

The Company's ability to continue as a going concern depends on its ability to realize its assets and additional financings. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The application of IFRS on a going-concern basis may be inappropriate since there is doubt as to the appropriateness of the going-concern assumption.

The shares of the Company are listed on the TSX Venture Exchange and are traded under the symbol ECR.

MISSION

The Company's mission is to ensure growth and sustainability for the benefit of its shareholders and employees.

VISION AND STRATEGY

The Company's vision is to advance its current and future assets to the production stage according to a schedule consistent with its human and financial resources while respecting sustainable development practices.

The Company's strategy is to pursue a dynamic process that allows it to develop and maintain a balanced portfolio of mining projects, progressing from the exploration stage toward the resource definition, development and production stages.

EXPLORATION ACTIVITIES

Chimo Mine property

Phase I of the 64-hole, 30,000-m drill program, currently underway with 3 drill rigs on the Chimo Mine property, began on July 10, 2017. This campaign consists of an 8,000-m program. deep drilling (1,100 to 1,700 m) and a 22,000 m deep drilling program (350 to 700 m). As of April 30, 2018, a total of 54 holes totaling 27,076 m were completed representing 84% of Phase I of the drilling program.

The deep drilling program aims to explore the potential of extending the main cluster of 4 major gold zones under the former Chimo Mine. To do this, two pilot holes serve as a deep access to 18 drill holes branches (HYPERLIEN FIGURE) of which 12 are completed to date. The Shallow Drilling Program aims to explore the geometric extension potential of gold mineralization under the other 19 gold zones peripheral to the main gold zone cluster.

Between January 1st and April 30th, 2018 the analysis results below (see tables and figures) have been published and all other results are pending:

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Gold Zone	Gold Structure
CH17-15	392.5	393.0	0.5	17.1	**2B**	**2**
Included in	392.0	394.0	2.0	7.5		
Included in	385.2	395.0	9.8	2.1		
CH17-19	430.2	431.2	1.0	3.2		
Included in	424.9	437.0	12.1	0.8		
CH17-15	455.8	456.3	0.5	9.4	**3E**	**3**
Included in	454.8	456.8	2.0	3.6		
CH17-19	463.4	464.5	1.1	3.8		
Included in	456.9	464.5	7.6	0.9		
CH17-19	510.8	512.9	2.1	4.4	**4E**	**4**
Included in	506.8	519.5	12.7	1.4		
CH17-16	336.9	337.9	1.0	10.7	**2B-3E**	**2-3**

(HYPERLINKS FIGURE1 and FIGURE 2)
The lengths are expressed along drill core axis. True thickness has not been determined.

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Gold Zone	Gold Structure
CH17-27	685.7	690.8	**5.1**	**4.7**	**5N**	**5N**
including	685.7	686.2	0.5	17.7		
including	689.7	690.8	1.1	9.6		
CH17-28	748.5	749.0	**0.5**	**4.4**		
Included in	748.5	757.0	8.5	1.0		
CH17-29	840.0	843.0	**3.0**	**3.8**	**5M**	**5M**
included in	834.0	847.0	13.0	1.9		
CH17-28	628.0	629.0	**1.0**	**4.6**	**3**	**3**
included in	626.0	630.0	4.0	2.1		

(HYPERLIEN FIGURE)
The lengths are expressed along drill core axis. True thickness has not been determined.

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Gold Zone	Gold Structure
CH17-29	666.8	667.8	**1.0**	**24.8**	**3**	**3**
included in	666.8	670.8	4.0	6.5		
included in	660.8	685.8	25.0	1.6		
CH18-38	90.0	91.1	**1.1**	**5.9**	**5M**	**5M**
included in	88.9	91.1	2.2	3.7		
CH18-38	419.0	419.5	**0.5**	**13.6**	**6B**	**6B**

(HYPERLIEN FIGURE)
The lengths are expressed along drill core axis. True thickness has not been determined.

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Gold Zone 5
CH17-46AE1	1160.0	1165.0	**5.0**	**7.6**	**5M2, 5M, 5B et 5BS**
including	1162.0	1164.5	2.5	12.2	
included in	1129.0	1189.0	60.0	1.0	

(HYPERLIEN FIGURE)
The lengths are expressed along drill core axis. True thickness has not been determined.

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Golde Zone5
CH17-46A	1108.0	1111.5	**3.5**	**8.5**	**5M2, 5M, 5B et 5BS**
including	1108.0	1110.0	2.0	14.6	
included in	1108.0	1120.0	12.0	3.0	
included in	1093.0	1164.0	71.0	1.0	

(HYPERLIEN FIGURE)
The lengths are expressed along drill core axis. True thickness has not been determined.

Fenton Property

The 13-hole drill hole totaling 7,814 m has intersected the Fenton gold zone with the exception of one hole. On January 31, Cartier Resources announced the results of the first drill hole that intersected two gold zones (HYPERLIEN FIGURE): the Fenton zone that tested 7.0 g / t Au / 1.0 m included in 0.5 g / t Au / 35.2 m and the Dyke Zone, located 100 m north of the Fenton Zone, which yielded 8.1 g / t Au / 2.0 m and 7.4 g / t Au / 2.0 m included in 3.8 g / t Au / 11.0 m included in 2.1 g / t Au / 25.0 m.

Drill Hole	From (m)	To (m)	Lengthr (m)	Au (g/t)	Gold Zone
1354-17-13	191.0	216.0	**25.0**	**2.1**	**Dyke**
including	191.0	202.0	11.0	3.8	
including	195.0	197.0	2.0	8.1	
including	200.0	202.0	2.0	7.4	
	343.7	377.2	**35.2**	**0.5**	**Fenton**
including	343.7	344.7	1.0	7.0	

Other drilling results are pending.

The Fenton gold zone has a range of historic intersections ranging from 1.7 to 4.0 g / t Au over lengths ranging from 24.8 to 52.0 m with higher grades. from 6.4 to 24.5 g / t Au over lengths of 2.6 to 7.6 m (HYPERLIEN FIGURE).

Since February 27, 2018, Cartier Resources holds 50% interest on the property for which no royalty has been granted. The other 50% is owned by SOQUEM, who is the manager of the project. The certificate of registration of the transfer of mineral rights of the property on behalf of Cartier Resources has been received from the Quebec Ministry of Energy and Natural Resources.

Wilson Property

The 2018 budget drilling on the Wilson property is being postponed to a later period to focus all efforts on the Chimo Mine Project.

QUALITY ASSURANCE / QUALITY CONTROL

Information of a scientific and/or technical nature presented in this management's MD&A was reviewed and approved by Cartier's vice president, Gaétan Lavallière, P.Geo., PhD, who is a qualified person as defined by National Instrument 43-101.

Exploration assets and deferred exploration costs

	MacCormack	Chimo Mine	Wilson	Cadillac Extension	Benoist	Fenton	Total
% participation	100%	100%	100%	100%	100%	Option 50%	
	$	$	$	$	$	$	$
Mining properties							
Balance as at December 31, 2017	206,871	107,024	72,000	3,715	737,723	24,371	1,151,704
Addition	-	-	-	-	-	273	273
Balance as at March 31, 2018	**206,871**	**107,024**	**72,000**	**3,715**	**737,723**	**24,644**	**1,151,977**
Deferred exploration costs							
Balance as at December 31, 2017	2,850,995	2,360,666	1,081,812	2,352,961	2,380,687	1,336,741	12,363,862
Addition							
Geology	-	209,589	885	3,276	-	580	214,330
Drilling	-	2,161,565	650	-	-	156,586	2,318,801
Exploration office expenses	-	1,577	291	50	6	37	1,961
Surveying and access roads	-	-	-	-	-	-	-
Core shack rental and maintenance	-	2,710	643	-	22	319	3,694
Duties, taxes and permits	545	306	331	599	1,396	-	3,177
Depreciation of exploration leasehold improvements	-	514	84	-	-	-	598
Share-based payments - employees	-	23,397	3,809	-	-	-	27,206
Net expenses during the period	545	2,399,658	6,693	3,925	1,424	157,522	2,569,767
Balance as at March 31, 2018	**2,851,540**	**4,760,324**	**1,088,505**	**2,356,886**	**2,382,111**	**1,494,263**	**14,933,629**
Balance of exploration assets and deferred exploration costs as at March 31, 2018	**3,058,411**	**4,867,348**	**1,160,505**	**2,360,601**	**3,119,834**	**1,518,907**	**16,085,606**

All the mining properties held by the Company are located in northwestern Quebec.

The Company is subject to royalties on certain properties.

Exploration assets and deferred exploration costs

	MacCormack	Chimo Mine	Wilson	Cadillac Extension	Benoist	Fenton	Total
% participation	100%	100%	100%	100%	100%	Option 50%	
	$	$	$	$	$	$	$
Mining properties							
Balance as at December 31, 2016	252,756	107,024	72,000	3,715	622,723	14,371	1,072,589
Additions	-	-	-	-	75,000	10,000	85,000
Balance as at March 31, 2017	**252,756**	**107,024**	**72,000**	**3,715**	**697,723**	**24,371**	**1,157,589**
Deferred exploration costs							
Balance as at December 31, 2016	3,297,601	517,046	177,769	2,195,497	2,349,809	462,451	9,000,173
Addition							
Geology	-	32,956	26,130	10,642	16,715	4,637	91,080
Drilling	-	6,562	165,300	154,344	98	393	326,697
Exploration office expenses	-	1,328	394	221	26	344	2,313
Surveying and access roads	-	-	18,967	1,713	10,126	-	30,806
Core shack rental and maintenance	-	1,921	610	775	154	234	3,694
Duties, taxes and permits	320	-	422	-	808	-	1,550
Depreciation of exploration equipment	-	1,459	425	-	-	395	2,279
Share-based payments-employees	-	11,300	3,364	-	-	2,588	17,252
Total expenses during the period	320	55,526	215,612	167,695	27,927	8,591	475,671
Tax credits	-	(5,803)	(7,972)	(14,975)	(3,803)	(978)	(33,531)
Net expenses during the period	320	49,723	207,640	152,720	24,124	7,613	442,140
Balance as at March 31, 2017	**3,297,921**	**566,769**	**385,409**	**2,348,217**	**2,373,933**	**470,064**	**9,442,313**
Balance of exploration assets and deferred exploration costs as at March 31, 2017	**3,550,677**	**673,793**	**457,409**	**2,351,932**	**3,071,656**	**494,435**	**10,599,902**

All the mining properties held by the Company are located in northwestern Quebec.

SELECTED FINANCIAL INFORMATION

	Three months ended March 31, 2018 $	Three months ended March 31, 2017 $
Interest income	**40,226**	10,906
Net profit (net loss) for the period	**260,135**	(313,750)
Basic net earning (net loss) per share	**0.00**	0.00
Basic weighted average number of shares outstanding	**176,904,747**	116,119,112

	Statement of financial position as at:	
	March 31, 2018 $	**December 31, 2017 $**
Cash and cash equivalents	**12,965,906**	15,706,671
Exploration assets and deferred exploration costs	**16,085,606**	13,515,566
Total assets	**29,598,625**	29,564,909
Current liabilities	**1,395,287**	2,138,341
Deferred income and mining taxes	**2,139,048**	1,741,953
Equity	**26,064,290**	25,684,615

EXPLORATION COSTS

For the three-month period ended March 31, 2018, the exploration expenses were $2,569,767 including $2,399,658 on Chimo Mine property and $157,522 on Fenton property. For the same period of 2017, exploration expenses were $442,140 mainly on Wilson property for $207,640 and on Cadillac Extension property for $152,720.

The significant increase of $2,127,627 in 2018 stems from the fact that three drill rigs were in operation on the Chimo mine property, two of which for controlled directional drilling program which is much more expensive than conventional drilling. This type of drilling is used for deep holes to reach targets and avoid making several holes that would be even more costly.

RESULTS OF OPERATIONS

For the three months ended March 31, 2018, the loss before deferred income and mining taxes amounted to ($339,108) compared to ($274,335) as at March 31,2017.

For the three months ended March 31, 2018, the net profit amounted to $260,135 or $0.00 per share, compared to a net loss of ($313,750) or ($0.00) per share as at March 31, 2017. The net profit for the period ended March 31, 2018 comes from the amortization of financial liabilities related to flow-through financings generating an income from income taxes and deferred mining taxes of $599,243 compared to an expense of $39,415 for the same period in 2017.

Interest income was $40,226 and $10,906 for the periods ended March 31, 2018 and 2017, respectively.

As at March 31, 2018 the administrative expenses amounted to $379,223 compared to $285,177 as at March 31, 2017. The increase in administrative expenses for the three months ended March 31, 2018, relative to the same period in 2017 was mainly due to business development and employee share-based payments.

The main items constituting the administrative expenses for the three months ended March 31, 2018 were the following: salaries for $91,276, business development for $123,921, share-based payments-employees for $87,231 and share-based payments-consultants for $12,375. For the three months ended March 31, 2017, the administrative expenses mainly consisted of salaries for $94,363, business development for $68,740, share-based payments-employees for $51,754 and share-based payment-consultants for $12,965.

FINANCIAL INFORMATION SUMMARY

Quarter ended	Interest income	Net profit (net loss)	Basic and diluted net earning (net loss) per share	Additions of deferred exploration costs	Basic weighted average number of shares outstanding
	$	$	$	$	
18-03-31	40,226	260,135	0.00	2,569,767	176,904,747
17-12-31	35,940	(230,568)	(0.00)	1,995,114	163,970,181
17-09-30	31,411	(460,775)	(0.00)	652,421	157,831,899
17-06-30	20,884	(861,751)	(0.01)	274,014	139,540,388
17-03-31	10,906	(313,750)	(0.00)	442,140	116,119,112
16-12-31	28,393	(333,729)	(0.01)	540,974	92,342,216
16-09-30	30,768	(209,556)	(0.00)	153,229	88,635,462
16-06-30	29,514	(144,313)	(0.00)	85,016	83,267,168

STATEMENT OF FINANCIAL POSITION

Current

As at March 31, 2018 and December 31, 2017, the cash and the cash equivalents and the cash reserved for exploration include an account bearing interest and an account without interest, as follows:

	March 31, 2018		December 31, 2017	
	Amount ($)	**Interest rate**	Amount ($)	Interest rate
1) Account bearing interest	**11,914,890**	**1.10%-1.60%**	15,580,188	0.75%-1.20%
2) Account without interest	**1,051,016**	**-**	126,483	-
Total	**12,965,906**		15,706,671	

Cash and cash equivalents include $1,788,600 ($4,327,388 as at December 31, 2017) of funds to be expensed in eligible exploration expenses before December 31, 2018.

As at March 31, 2018, working capital was $12,111,386 compared to $13,904,058 as at December 31, 2017.

Exploration assets and deferred exploration costs

As at March 31, 2018, the Company's exploration assets and deferred exploration costs amounted to $16,085,606 compared to $13,515,566 as at December 31, 2017.

As at March 31, 2018, deferred exploration costs amounted to $14,933,629 compared to $12,363,862 as at December 31, 2017.

During the first quarter of 2018, additions of deferred exploration costs before taxes credits amounted to $2,569,767 compared to $3,845,729 as at December 31, 2017. The main exploration costs consisted of the following: drilling for $2,318,801; geology for $214,330; and share-based payments-employees for $27,206.

Liabilities

Current liabilities amounted to $1,395,287 as at March 31, 2018, compared to $2,138,341as at December 31, 2017. The variation is due mainly to the increase in liability related to flow-through shares for a variation of $996,338.

Deferred income and mining taxes amounted to $2,139,048 as at March 31, 2018, compared to $1,741,953 as at December 31, 2017. The variation of $996,338 is explained by the renouncement of tax deductions, and by exploration costs incurred by the flow-through shares issued.

Equity

As at March 31, 2018, equity was $26,064,290 compared to $25,684,615 as at December 31, 2017. This variation comes mainly from the comprehensive loss for the period.

Cash Flows

Cash flows used in operating activities amounted to $416,433 and $178,137, respectively, for the three months ended March 31, 2018 and 2017. The cash flows resulted mainly, for the same periods, from the net profit (net loss) which amounted to $260,135 and ($313,750), respectively. Non-cash items with a positive impact on the cash flows in the first quarter of 2018 are mainly the share-based payments-employees of $87,231 and the interest received of $34,981. Non-cash items with a negative impact on the cash flows in the first quarter of 2018 are composed by deferred income and mining taxes of $599,243, by interest income of $40,226 and the net change in non-cash working capital items of $164,414. For the first quarter of 2017, the positive impact on cash flows is comprised mainly of deferred income and mining taxes of $39,415, the share-based payments-employees of $51,754, share-based payments-consultants of $12,965 and the net change in non-cash working capital items of $30,773. Non-cash items with a negative impact on the cash flows for the first quarter of 2017 are only interest income of $10,906.

For the three-month periods ended March 31, 2018, cash flows from financing activities amounted to $77 and resulted only of share issue expenses compared to $3,612,779 for the same period of 2017 and consisted of share issuances totalling $3,477,600, share issue expenses totalling $304,321 and exercising of warrants totalling $439,500.

For the three-month periods ended March 31, 2018, the cash used in investing activities consisted only of exploration assets and deferred exploration costs amounting to $2,324,409 compared to $507,593 for the same period of 2017.

LIQUIDITY AND FINANCING SOURCES

Significant increases or decreases in the Company's cash and capital resources are primarily determined by the success or failure of exploration programs and its ability to issue shares or obtain other sources of financing.

As at March 31, 2018, the Company's cash and cash equivalents amounted to $12,965,906. The Company's financing comes mostly from share issues. The success of these issues depends on the stock markets, investor interest in exploration companies and the price of metals. In order to continue its exploration activities and support its current activities, the Company has to maintain its exposure within the financial community to realize new financings.

During the first quarter ended March 31, 2018, no share were issued. During the year ended December 31, 2017, a total of 64,263,618 shares were issued as a result of the following: two private placements for 27,250,000 shares; two flow-through private placements for 25,910,000 shares; 50,000 shares in respect of the Company's contract with SOQUEM Inc.; 2,307,690 shares for the redemption of the debenture; 135,594 shares for the redemption of an NSR royalty; 35,000 shares following the exercise of options; and 8,575,334 shares following the exercise of warrants.
Cash reserved for exploration amounted to $1,788,600 as at March 31, 2018, compared to $4,327,388 as at December 31, 2017. The variation comes from exploration assets and deferred exploration costs.

The Company expects that its current capital resources of $12,965,906 and its ability to obtain additional financing will support further exploration and development of its mineral properties for the next financial exercise.

The following table presents the sources of funding for the last 8 quarters and up to the date of this report:

Table of sources of financing				
Date	Type	Financing	Amount ($)	General description of the use of the product
June 9, 2016	Assets paid by share issuance	Common shares	72,000	The net proceeds of the financing were used primarily for the following purposes: acquisition of Wilson property
June 9 and 13, 2016	Private placement with broker	Common shares	416,500	The net proceeds of the financing were used primarily for the following purposes: Drilling programs on Chimo Mine, Cadillac Extension and Wilson properties
August 12, 2016	Private placement without broker	Common shares	100,000	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
August 17, 2016	Private placement without broker	Common shares	150,000	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
September 2, 2016	Private placement without broker	Common shares	100,050	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
December 22, 2016	Private placement without broker	Common shares	4,500,000	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
Beetween January 1 and December 31, 2017	Exercise of warrants	Common shares	1,204,900	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
Beetween January 1 and December 31, 2017	Exercise of options	Common shares	6,650	The net proceeds of the financing were used primarily for the following purposes: financing general administrative expenses
February 28, 2017	Debenture conversion	Common shares	300,000	The net proceeds of the financing were used primarily for the following purposes: repayment of a debt

March 17, 2017	Assets paid by share issuance	Common shares	10,000	The net proceeds of the financing were used primarily for the following purposes: earn a 50% interest in the Fenton property
March 20, 2017	Private placement with broker	Common shares	3,477,600	The net proceeds of the financing were used primarily for the following purposes: drilling programs on Chimo Mine and Fenton properties
May 30, 2017	Private placement with broker	Common shares	6,007,500	The net proceeds of the financing were used primarily for the following purposes: exploration activities, financing general administrative expenses and other working capital requirements
May 31, 2017	Assets paid by share issuance	Common shares	40,000	The net proceeds of the financing were used primarily for the following purposes: repurchased a royalty on Benoist property
December 5, 2017	Private placement with broker	Common shares	5,299,900	The net proceeds of the financing were used primarily for the following purposes exploration activities, drilling program on Chimo Mine, financing general administrative expenses and other working capital requirements
April 25, 2018	Exercise of warrants	Common shares	200,000	The net proceeds of the financing were used primarily for the following purposes: financing general administrative expenses

LEASES

The Company rents its offices under a lease expiring in March 2021. The lease covering a Company's vehicle expires in October 2020.

The future minimum operating lease payments are as follows:

	Minimum lease payments due :		
	Within 1 year	**1 to 5 years**	**Total**
	$	$	$
March 31, 2018	**39,496**	77,536	117,032
December 31, 2017	**39,496**	87,410	126,906

ACCOUNTING ESTIMATES AND CRITICAL JUDGMENTS

The following paragraphs describe the most critical management estimates and assumptions in the recognition and measurement of assets, liabilities and expenses and the most critical management judgments in applying accounting policies.

Impairment of assets
An impairment loss is recognized when the carrying amount of an asset is not recoverable and exceeds its recoverable value. Management reviews on a regular basis the impairment assessment of its mining assets. Each year, the Company conducts an annual review of the geological potential of all its claims with the objective of abandoning any claims with a low discovery potential. All amount incurred on those claims are recorded in the statements of loss of the year.

Share-based payments and fair value of warrants
The estimate of share-based payment costs and of the fair value of warrants requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the expected life of options and expected extinguishments. The model used by the Company is the Black-Scholes model.

Income taxes and deferred mining taxes
The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.

FINANCIAL INSTRUMENTS

Objectives and policies in managing financial risks

The Company is exposed to various financial risks resulting from its operations and investing activities. The directors and officers of the Company manage those risks.

The Company does not enter into speculative derivative financial instruments.

Financial risks

The following paragraphs describe the main financial risks to which the Company is exposed and its risk management policies.

Interest risk

As at March 31, 2018, the Company is not exposed to interest rate risk since they are all short-term items.

Liquidity risks

The Company establishes cash forecasts to ensure it has the necessary funds to fulfill its obligations. Obtaining additional funds makes it possible for the Company to continue its operations, and while it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

Liquidity risk analysis

Liquidity risk management serves to maintain a sufficient amount of cash and to ensure that the Company has financing sources such as private and public investments for a sufficient amount.

Over the year, the Company has financed its exploration expense commitments, its working capital requirements and acquisitions through private and flow-through financings.

All financial liabilities mature in less than 12 months.

Credit risk analysis

The Company's exposure to credit risk is limited to the carrying value of its financial assets at the date of presentation of the financial information as disclose below:

	March 31, 2018	December 31, 2017
	$	$
Cash and cash equivalents	**12,965,906**	15,706,671
Carrying amounts	**12,997,506**	15,738,271

None of the Company's financial assets are secured by collateral or other credit enhancements.

The credit risk for cash and cash equivalents and cash reserved for exploration is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings.

Fair value of financial instruments

The Company discloses the fair value hierarchy by which the financial instruments are evaluated and assigned to the following levels. Level 1 features a valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 includes inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 includes inputs for the asset or liability that are not based on observable market data. Marketable securities are classified under Level 1.

The carrying amount of cash and cash equivalents, cash reserved for exploration, accounts payables and accrued liabilities approximate fair value based on the close date.

RISKS AND UNCERTAINTIES

The Company, like all other mining exploration companies, is exposed to a variety of financial and environmental risks, as well as risks related to the very nature of its activities. It is also subject to risks related to other factors, such as the price of metals and market conditions in general. The main risks to which the Company is exposed are as follows:

(a) Financing risk

The Company must periodically obtain new funds in order to pursue its activities. While it has always succeeded in doing so to date, there can be no assurance that it will continue to do so in the future.

The Company believes that the quality of its properties and their geological potential will enable it to obtain the required financing for their continued exploration and potential development.

(b) Volatility of stock price and limited liquidity

Cartier's common shares are listed on the TSX Venture Exchange under the symbol ECR.

The Company's common shares have experienced significant volatility in price and trading volume over the last few years. There can be no assurance of adequate liquidity in the future for the Company's common shares.

(c) Permits and licences

The Company's operations may require permits and licences from different government authorities. There is no assurance the Company will obtain the required permits and licences to continue exploring and developing its properties.

(d) Environmental risks

The Company's operations are subject to federal, provincial and local environmental regulations. These regulations mandate, among other things, the maintenance of air and water quality standards, land use standards, land reclamation and labour standards.

Environmental legislation is evolving in a way that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and increased responsibility for companies and their officers, directors and employees. At this time, it is uncertain whether these changes will adversely affect the Company's operations. Compliance costs are expected to rise.

Environmental hazards may exist on certain of the Company's properties that are unknown to management at the present time, and which were caused by previous owners or operators.

(e) Metal prices

Even if the exploration programs of the Company are successful, some factors beyond the Company's control may affect the marketing of the minerals found. Metal prices are determined by worldwide supply and demand for metals, which are affected by many factors, including international, economic and political trends, inflation expectations, exchange rate fluctuations, interest rates, global and regional consumption levels, speculative activities and worldwide production levels. The effects of these factors cannot be precisely predicted.

(f) Key personnel

The management of the Company relies on certain key personnel, primarily its President and Chief Executive Officer. The loss of the President and Chief Executive Officer could have a negative impact on the development and success of the Company's operations. The Company's success is also linked to its capacity to attract and retain qualified personnel.

OFF-BALANCE SHEET ARRANGEMENTS

As at March 31, 2018, the Company had not concluded any off-balance sheet arrangements.

CAPITAL STRUCTURE ON MAY 16, 2018:

Common shares outstanding	177,104,747
Stock options (weighted average exercise price of $0.18)	11,475,000
Warrants (weighted average exercise price of $0.27)	3,318,400
Total fully diluted	191,898,141

OUTLOOK

The second quarter of 2018 will be devoted to continuing phase I of the ongoing drill campaign since July 2017 on the Chimo Mine property as well as to plan phase II for further work.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The financial statements and other financial information contained in this MD&A are the responsibility of the Company's management and have been approved by the Board of Directors on May 16, 2018.

(s) Philippe Cloutier
Philippe Cloutier
President and CEO

(s) Nancy Lacoursière
Nancy Lacoursière
Chief Financial Officer