ARENA MINERALS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Three and Nine months ended September 30, 2018

BACKGROUND

This Management's Discussion and Analysis ("MD&A") has been prepared based on information available to Arena Minerals Inc. ("we", "our", "us", "Arena" or the "Company") containing information through November 29, 2018 unless otherwise noted. The MD&A provides a detailed analysis of the Company's operations and compares its financial results with those of the previous period and should be read in conjunction with the consolidated financial statements for the nine months ended September 30, 2018 and 2017. The condensed interim consolidated financial statements and related notes of Arena have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Please refer to the notes of the December 31, 2017 consolidated financial statements for disclosure of the Company's significant accounting policies. The Company's functional and reporting currency is the Canadian dollar. Unless otherwise noted, all references to currency in this MD&A refer to Canadian dollars.

Additional information, including our press releases, have been filed electronically through the System for Electronic Document Analysis and Retrieval ("SEDAR") and is available online under the Company's SEDAR profile at www.sedar.com.

Vernon Arseneau, P.Geo, Arena's Vice President of Exploration, is a "Qualified Person" as such term is defined under National Instrument 43-101 guidelines and has reviewed and approved the scientific and technical information in this MD&A. As an officer of the Company, Mr. Arseneau is not considered independent.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Except for statements of historical fact relating to Arena certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the Company's proposed acquisitions and strategy, development potential and timetable of the Company's properties; the Company's ability to raise required funds; future mineral prices; mineralization projections; conclusions of economic evaluation; the timing and amount of estimated future exploration and development; costs of exploration and development; capital expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration activities are based on previous industry experience and regional political and economic stability. Capital and operating cost estimates are based on extensive research of the Company, recent estimates of exploration costs and other factors that are set out herein. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to: unexpected events and delays during exploration and development; acquisition risks; regulatory risks; revocation of government approvals; timing and availability of external financing on acceptable terms; actual results of current exploration activities;

changes in project parameters as plans continue to be refined; future prices of minerals; accidents, labour disputes and other risks of the mining industry.

Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

OVERVIEW OF THE COMPANY

Arena is a Canadian mineral exploration company listed on the TSX Venture Exchange ("TSX-V") trading under the symbol "AN". The Company's primary focus is on copper exploration and development in Chile. The Company was incorporated under the laws of the Province of Alberta on August 29, 1995 and continued into Ontario on February 12, 2013. Arena's current focus is on the Atacama Copper Project in Chile.

The mineral exploration business is risky and most exploration projects will not become mines. The Company may offer an opportunity to a mining company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from treasury to investors. These stock issues depend on numerous factors including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management.

The Company's consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying consolidated financial statements.

2018 HIGHLIGHTS

- The Company decided not to pursue further exploration on the La Finca property and, as such, has opted out of the underlying option agreement with the vendors.

- On July 9, 2018, Arena completed the exercise of the underlying Atacama option agreement with Sociedad Quimica y Minera de Chile ("SQM") on two projects consisting of a total of 7,061 hectares (refer to press release dated November 1, 2017). The two projects retained by Arena are the epithermal gold Paciencia and the copper porphyry Pampa Union project, which have formed two joint venture companies with SQM on a 80% Arena and 20% SQM basis. Pursuant to the terms of the option agreement Arena has completed its last underlying payment of USD30 per hectare retained, for a total of USD211,830, to satisfy the option agreement in full.

- On September 6, 2018, the company closed the private placement financing of units of the Company (the "Units") at a price of $0.05 per Unit for gross proceeds of $2,300,000. Each Unit consists of one common share of the Company (a "Common Share") and one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder to acquire one Common Share of the Company at $0.10 for a period of 36 months from the date of issuance.

- On November 15, 2018, Company entered into a binding Share Purchase Agreement (the "Agreement") to acquire 100% of Antofalla Minerals S.A. ("AMSA"), which owns lithium brine projects located in Argentina. AMSA's flagship project covers 4,000 hectares of Salar de Antofalla immediately south and adjacent to Albemarle Corporation's Antofalla project. AMSA also has projects in the Hombre Muerto and Pocitos salars, and a pending claim for another 2,000 hectares in Antofalla South. The purchase price for all of the outstanding shares of AMSA is US$400,000 in cash and 10,000,000 common shares of Arena. The vendors are not entitled to any other post-closing royalties or other payments

RESULTS OF OPERATION – EXPLORATION

ATACAMA COPPER PROJECT, CHILE

Property Description

The Atacama property consists of approximately 7,061 hectares in Chile's Antofagasta Region II, home to some of the world's largest copper mining operations and covering a large undrilled portion of the highly prospective Jurassic and Paleocene-Early Miocene copper porphyry belt. The property is located approximately 40 km northeast from the city of Antofagasta, and is adjacent to and in some cases traversed by major highways, railways, desalination pipelines and high-tension power lines, some of which service existing operating copper mines in the region and are subject to easement agreements which will be assumed by the Company. The claim block follows the Antofagasta-Calama Lineament and is surrounded by several major producing copper mines. Operating mines within a 15 km radius of the property boundary include Spence (BHP Billiton), Lomas Bayas (Glencore Xstrata), Mantos Blancos (Audley Capital), Tesoro (Antofagasta Minerals/Marubeni) and Esperanza (Antofagasta Minerals/Marubeni). These mines currently account for over 600,000 tonnes of estimated annual copper production.

Option Agreement

On August 1, 2013, the Company entered into a definitive option agreement (the "Option Agreement") with a Chilean mining company (the "Vendor") to earn an 80% interest in the Atacama copper property, in consideration for:

1) making aggregate cash payments to the Vendor as follows:
   - US$1 per hectare on signing (paid);
   - US$3 per hectare, or a maximum of US$450,000 on or before July 26, 2014 (paid);
   - US$6 per hectare, or a maximum of US$600,000 on or before July 26, 2015 (paid);
   - US$15 per hectare, or a maximum of US$750,000 on or before July 26, 2016 (paid);
   - US$30 per hectare, for a total of US$211,830 paid on July 3.

2) Incurring exploration and development expenditures on the worked claims over the option term as follows:
   - US$5 per hectare by, or a maximum expenditure of US$750,000 July 26, 2014 (incurred);
   - An additional US$10 per hectare, or a maximum of US$1,000,000 by July 26, 2015 (incurred);
   - An additional US$30 per hectare, or a maximum of US$1,500,000 by July 26, 2016 (incurred);
   - An additional US$60 per hectare, or a maximum of US$3,000,000 by July 26, 2017 (incurred).

On November 1, 2017, the company decided to exercise the underlying Atacama option agreement on two projects consisting of a total of 7,061 hectares. The two projects were retained by the Company, due to JOGMEC and Teck opting out of their agreements on November 1, 2017. These are the epithermal gold Paciencia project and the copper porphyry Pampa Union project, which is split with SQM on a 80% Arena and 20% SQM basis.

JOGMEC Option

On July 16, 2015, the Company entered into a binding definitive agreement with Japan Oil, Gas and Metals National Corporation ("JOGMEC"), pursuant to which Arena granted JOGMEC the option to acquire up to a 60% interest in 10,000 hectares to be selected from 30,000 hectares of the Company's Atacama Copper property, located in Antofagasta, Chile (the "Agreement"). The hectares optioned include the majority of the land lying between the Cerro Barco and La Paloma properties, consisting of three separate claim blocks, which have been designated Carmen Alto, Pampa Union and Cerro Guacate Sur (collectively the "JOGMEC Property").

On November 1, 2017, JOGMEC opted out of their joint venture agreement with the Company. However, JOGMEC continued to reimburse expenditures on the property to February 28, 2018.

Teck Option

On October 21, 2015, the Company's Chilean subsidiary signed an option agreement (amended on July 21, 2016) with Teck Resources Chile Limitada, a Chilean subsidiary of Teck Resources Limited ("Teck"), amended on July 21, 2016, pursuant to which Arena has granted Teck options to acquire up to a 60% interest in the Solitario and Paciencia North prospects, which consist of two separate claim blocks (collectively the "Teck Property") that comprise part of the Company's Atacama Copper property, located in Antofagasta, Chile.

Teck incurred approximately $2,000,000 in total expenditures. However, on November 1, 2017, Teck opted out of their joint venture agreement with the Company.

Results, Developments and Future Plans

JOGMEC

JOGMEC-Arena completed 14,900 metres of drilling during the 2015-2016 campaign, covering a minimum three kilometre spaced grid on the Pampa Union property, while drilling on the Guacate Sur and Carmen Alto properties was executed on a 1.5km grid. Highlights from the drilling include drill hole PU-RC-39 on the Pampa Union prospect, which intersected a lithocap zone of strong silicification from 64 metres to 172 metres. From 172 metres a sequence of advanced-argillic altered andesites was intersected down to 196 metres. From 174 metres to 375 metres, pyrite mineralization is encountered throughout the sequence underlying the lithocap, with more intense mineralization over 5% between 174 metres and 337 metres. Below 337 metres, sections of alteration continue with zones of quartz vein breccias, pyritemagnetite breccias and chlorite alteration towards the end of the hole at 441.45 metres. Geochemically anomalous values of As, Sb, Bi and Te are associated with the alteration, all indicating the presence of a lithocap within a potentially copper-gold fertile porphyry environment.

At Carmen Alto, drill holes CA-RC-20 and CA-RC-22 intersected favourable geology with copper mineralization. Wide spaced limited drilling to date at Carmen Alto has defined a zone of silicification with anomalous copper values and argillic alteration within mostly porphyritic andesites and volcanoclastics under cover. The area immediately east of current drilling by Arena has a prominent ESE trending lineament associated with past artisanal mining operations that appears to continue on to our target area, making this an excellent exploration target for additional drilling.

Following these positive results, a Declaracion de Impacto Ambiental ("DIA") for an additional 241 drill platforms was prepared by local environmental consultants and included environmental, biological, fauna and archeological studies on the ground. On July 15, 2016, the Environmental Assessment Commission for the Antofagasta Region voted against the project deciding that the drillings could cause impact to historical heritage located at significant distance from any of the proposed drill platforms. As the permit was denied at the regional level the Company filed a claim (Recurso de Reclamacion) before the National Environmental Assessment Service in Santiago for final approval.

On February 21, 2017 the Company received the final permit for the Pampa Union drill program following the decision of the National Environmental Assessment Service in Santiago as expected. Drilling commenced immediately after receiving the formal notification from the authorities.

Drilling started with one machine immediately after the permit was received from the government and on March 27, 2017 the Company added a second rig to accelerate the phase 2 drill program. At the end of May, more than 11,000 meters of new drilling had been completed on the Pampa Union property, which included both follow-up on the positive results obtained in PU-RC-039 and infill of the regional exploration drilling on the property.

Results obtained to date for Phase 2 drilling have been successful in expanding on the porphyry system discovered in hole PU-RC-039 under only 30 meters of ground cover. Drill hole PU-RC-080 has intersected the alteration and mineralization typical of many known porphyries in the area with strong indications that drilling is effectively vectoring closer to the host porphyry.

The Arena-JOGMEC joint venture completed 14,572 meters of drilling in 55 drill holes as part the Phase 2 program at Pampa Union, including 29 holes as part of the minimum 1.5 kilometer spaced grid on the property, with the remaining 26 holes as wide spaced follow-up of the alteration/mineralization porphyry cell discovered in hole PU-RC-039.

Drill hole PU-RC-94, drilled 5km southeast of PU-RC-80 in the north eastern portion of the Pampa Union block, intersected what the company interprets to be a new prospective area for porphyry mineralization, with strong phyllic and argillic alteration within a porphyritic andesite unit. PU-RC-94 returned geochemically anomalous values of As, Sb, Cu and Mo, related to a hydrothermal brecciation with quartz, tourmaline, chalcocite and molybdenite, typical of a porphyry system.

Drill hole PU-RC-94 collared in strong argillic alteration from 64 meters to 169 meters followed by a strong phyllic alteration from 169 meters to 268 meters. From 206 meters to 210 meters, the hole intersected a hydrothermal quartz breccia, with chalcopyrite, chalcocite, molybdenite and tourmaline, carrying anomalous values of Cu, Mo, As, Sb and Pb. From 268 meters down to the end of the hole at 401 meters, the hole cut a sequence of propylitic altered porphyrityc andesites including short sections of phyllic alteration. Sections of phyllic alteration continue with lesser intensity and decreased geochemical anomalism to the end of the hole at 401 meters. Hole PU-RC-94 is interpreted as a strong indication of increased proximity to a mineralized intrusive body, representing a new high quality target for the next phase of drilling.

In addition to PU-RC-094, drill holes PU-RC-92, PU-RC-69, and PU-RC-88 all intersected significant thicknesses of strong argillic and phyllic alteration with various levels of anomalous Cu, Mo, Sb and As. It is important to note that the distance between the holes referred to above varies between 400 meters and 1000 meters from PU-RC-094 and the target area remains largely open, almost 5km southeast of PU-RC-80. Following the positive drill results and JOGMEC's exit from the joint venture, the Company decided to exercise the underlying option on the Pampa Union property.

La Finca Property

On May 10, 2017, the Company entered into an agreement to acquire 100% of the La Finca Property, an undrilled Cu-Mo porphyry target located in Region III of Chile approximately fifteen kilometers north-east of the village of Inca De Oro and thirty-five kilometers SE of the town of Diego de Almagro ("La Finca").

The Company decided not to pursue further exploration on the La Finca property and, as such, has opted out of the underlying option agreement with the vendors.

RESULTS OF OPERATIONS - FINANCIAL

The following is a discussion of the results of operations of the Company for the nine months ended September 30, 2018. They should be read in conjunction with the condensed interim consolidated financial statements for the nine months ended September 30, 2018, and related notes.

Three months ended September 30, 2018

	3 Months Ended September 30, 2018	3 Months Ended September 30, 2017
Income (loss) and comprehensive income (loss)	$ (850,439)	$ (207,187)
Management and consulting fees	(83,818)	(137,913)
Travel and promotion	(28,869)	(17,877)
Office and rent	(11,613)	(26,200)
Accounting and legal	(3,500)	(10,000)
Regulatory and transfer agent	(1,796)	(1,019)
Share-based payments	(197,345)	-
Foreign exchange gain	(87,949)	(37,924)
Operator fees	-	77,354
Interest income	-	139
Realized (loss) gain on investments	(242,657)	-
Unrealized gain (loss) on investments	(192,892)	(53,747)

For the three months ended September 30, 2018, the Company recorded a comprehensive loss of $850,439 (0.01 per share) compared to a comprehensive loss of $207,187 ($0.01 per share) in 2017. The 2018 loss was mainly attributable to realized and unrealized losses in investments, as well as share-based payments. The 2017 comprehensive loss was a result of unrealized gain on investments, increased management and consulting fees, increased office and rent, increased accounting.

Management and consulting fees were $83,818 compared to $137,913 for the three months ended September 30, 2017. The decrease was due to less projects in Q3 2018.

Travel and promotion were $28,869 compared to $17,877 for the three months ended September 30, 2017. The increase reflects increased promotional activities during Q3 2018 for financing.

Office and rent were $11,613 compared to $26,200 for the three months ended September 30, 2017. The decrease was due to additional office rent and IT costs incurred in Q2 2017.

Share based payments of $197,345 are due to options issued that vest immediately.

Foreign exchange loss was $87,949 compared to $37,924 for the three months ended September 30, 2017. The loss was due to fluctuation of Canadian dollars currency against US dollars and Chilean Peso.

Operator fees were Nil compared to $77,354 for the three months ended September 30, 2017. The decreased operator fees earned from managing the JOGMEC arrangement was due to JOGMEC no longer a joint venture partner in 2018.

Realized loss on investment was $242,657 compared to $nil for the three months ended September 30, 2017. The realized loss was generated from the sale of 468,000 shares of Fiore in Q2 2018.

Unrealized loss on investment was $192,892 compared to unrealized loss of $53,747 for the three months ended September 30, 2017. The unrealized loss was a result of a lower fair market values in Fiore Exploration Ltd. and in B2 Gold compared to September 30, 2017.

Nine months ended September 30, 2018

	9 Months Ended September 30, 2018	9 Months Ended September 30, 2017
Income (loss) and comprehensive income (loss)	$ (1,997,899)	$ (1,120,073)
Management and consulting fees	(290,597)	(417,037)
Travel and promotion	(32,686)	(258,859)
Office and rent	(38,860)	(105,848)
Accounting and legal	(5,800)	(38,233)
Regulatory and transfer agent	(15,820)	(9,491)
Exploration expense	-	(27,056)
Share-based payments	(197,345)	(20,000)
Foreign exchange gain	(53,164)	7,934
Operator fees	4,927	272,399
Interest income	-	289
Realized (loss) gain on investments	(852,916)	(76,332)
Unrealized (loss) gain on investments	(515,638)	(447,839)

For the nine months ended September 30, 2018, the Company recorded a comprehensive loss of $1,997,899 ($0.02 per share) compared to a comprehensive loss of $1,120,073 ($0.01 per share) for the nine months ended September 30, 2017. The 2018 comprehensive loss was a result of a realized and unrealized loss on investments. The 2017 comprehensive loss was a result of realized and unrealized loss on investments, greater promotional travel and consulting fees, offset by operator fees.

Management and consulting fees $290,597 for the nine months ended September 30, 2018 compared to $417,037 for the nine months ended September 30, 2017. The decrease was mainly due to change in management in Q4 2017.

Travel and promotion was $32,686 for the nine months ended September 30, 2018 compared to $258,859 for the nine months ended September 30, 2017. The decrease reflects decreased promotional activities during 2018.

Office and rent were $38,860 for the nine months ended September 30, 2018 compared to $105,848 for the nine months ended September 30, 2017. The decrease was due to decreased office rent and less IT costs incurred in 2018.

Foreign exchange loss was $53,164 for the nine months ended September 30, 2018 compared to a gain of $7,934 for the nine months ended September 30, 2017. The loss was due to fluctuation of Canadian dollars against US dollars and Chilean pesos.

Operator fees were $4,927 for the nine months ended September 30, 2018 compared to $272,399 for the nine months ended September 30, 2017. The decreased operator fees earned from managing the JOGMEC arrangement was due to JOGEMC terminating the agreement in Q4 2017.

Unrealized loss on investment was $515,638 for the nine months ended September 30, 2018 compared to unrealized loss of $447,839 for the nine months ended September 30, 2017. The unrealized loss was a result of a lower fair market value of Fiore Gold Ltd and B2Gold.

Realized loss on investments was $852,916 for the nine months ended September 30, 2018 compared to a realized loss of $76,332 for the nine months ended September 30, 2017. The realized loss was a result of a lower fair market value of Fiore Gold Ltd and B2Gold.

Cash Flows

For the nine months ended September 30, 2018, $440,519 was used in operating activities compared to $932,710 provided in the same period of last year. The decreased cash flow in operating cash flows for the nine months ended September 30, 2018 was a result of decreased net change in working capital.

For the nine months ended September 30, 2018, the Company provided cash of $67,269 from investing activities compared to $167,146 used in the same period last year. In 2018, the Company invested less in exploration and evaluation of assets.

During the nine months ended September 30, 2018, the Company generated $2,289,370 in financing activities due to private placement, compared to $975,000 for the nine months ended September 30, 2017, which was due to exercise of warrants.

LIQUIDITY AND CAPITAL RESOURCES

In management's view, given the nature of the Company's operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will depend upon the acquisition of a property that leads to the discovery of economically recoverable reserves. Such development may take years to complete, if the Company is ever successful, and the amount of resulting income, if any, is difficult to determine.

As at September 30, 2018, the Company had working capital of $2,731,547 compared to working capital of $2,912,314 as at December 31, 2017.

The Company's estimate of the adequacy of its working capital is a forward-looking statement as it involves known and unknown risks, uncertainties and other factors. Actual results could differ, perhaps materially; with the result that the adequacy of working capital required for the fiscal year 2018 expressed by such forward-looking statement is materially different than so stated. Also, the ability of the Company to successfully acquire and develop additional properties in the resource sector or to continue development of its current properties is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through equity financing. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or desired by the Company. See "Cautionary Statement Regarding Forward Looking Information".

Currency Risk

Currency risk is the risk to the Company's earnings that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates.

As at September 30, 2018, the Company had the following financial assets and liabilities denominated in foreign currency, presented in Canadian dollars:

		Chilean Peso		US Dollars
Cash	$	15,058	$	294
Amounts receivable		-		-
Accounts payable		(182,053)		-
	$	(166,995)	$	294

At September 30, 2018 the United States dollar was converted at a rate of $1.2945 Canadian dollars to $1.00 US dollar and the Chilean Peso was converted at a rate of $0.00196 Canadian dollars to $1.00 Chilean Peso.

Capital Risk Management

The Company includes equity, comprising of issued common shares, share-based payment reserves and deficit, in the definition of capital. The Company's objectives when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company's properties are in the exploration state and as such the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise the required additional funds.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the year ended September 30, 2018. The Company is not subject to externally imposed capital requirements except that of the TSX-V, which has certain working capital and financial resource requirements to be available to maintain operations and cover general and administration expenses. As of September 30, 2018, the Company did not believe it was in violation of such requirements.

COMMITMENTS

The Company's current focus of its exploration program is on the Atacama property in Chile, as well the progressing the AMSA purchase.

Environmental Commitments

The Company's mining and exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Management Contract Commitments

The Company is party to certain management contracts. These contracts require that additional payments of approximately $1,262,500 be made upon the occurrence of certain events such as a change of control. Minimum commitments remaining under these contracts were approximately $637,500, all due within one year.

Disposed of Operations

The Company has sold, dispersed of, or written down the carrying value of exploration and evaluation property interests. An estimate of the total liability, if any, for which the Company might become obligated as a result of its role as operator, guarantor, or indemnifier is not determinable, nor expected to be material, and no amount has been provided for in these consolidated financial statements.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Sep 30	Jun 30	31-Mar	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31
	2018	2018	2018	2017	2017	2017	2017	2016
Revenue	-	-	-	-	-	-	-	-
Net income (loss)	$ (850,439)	$ (413,658)	$ (733,800)	$ (1,804,099)	$ (201,187.00)	$ 533,380.00	$(1,446,266.00)	$ (207,187.00)
Income(loss) per Share	$ (0.01)	$0.00	$ (0.01)	$ (0.02)	$0.00	$0.01	($0.02)	$ (0.00)
Total Assets	$ 7,162,558.00	$ 5,565,910.00	$5,889,992.00	$6,469,196.00	$ 8,193,550.00	$8,573,441.00	$ 9,023,641.00	$ 8,684,439.00

The loss for the fourth quarter of fiscal 2016 relates to ongoing operating activities associated with consulting, accounting, legal, travel and promotion, filing fees of the Company, realized and unrealized loss on investments, net of operator fees.

The loss for the first quarter of fiscal 2017 relates primarily to unrealized loss on investments, ongoing operating activities associated with consulting, accounting, legal, travel and promotion, filing fees of the Company offset by realized gain on investment and operator fees.

The income for the second quarter of fiscal 2017 relates primarily to unrealized gain on investments, operator fees, foreign exchange gain offset by realized loss on investments and ongoing operating activities associated with consulting, office and rent, accounting, legal, travel and promotion and filing fees of the Company.

The loss for the third and fourth quarter of fiscal 2017 and first three quarters of 2018 relates primarily to unrealized loss on investments, ongoing operating activities associated with consulting, office and rent, accounting, legal, and travel and promotion, and foreign exchange loss.

Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	IFRS		
	December 31, 2017	December 31, 2016	December 31, 2015
Revenues	$Nil	$Nil	$Nil
Income (loss) and comprehensive income (loss) for the year	$(2,924,172)	$2,089,648	$(1,195,324)
Basic and diluted income (loss) per share	$(0.03)	$0.03	$(0.02)
Total assets	$6,469,196	$8,684,439	$6,873,952
Total current assets	$3,159,170	$6,225,462	$1,931,888
Total long-term financial liabilities	$Nil	$Nil	$Nil
Cash dividends declares per share	$Nil	$Nil	$Nil

A significant amount of the Company's fiscal 2015 losses were share-based payment related to 3,255,000 options granted to directors, officers and consultants during the second and third quarter of 2015.

A significant amount of the Company's fiscal 2016 income was a gain on sale of exploration and evaluation assets, offset by unrealized loss on the Company's investments during the fourth quarter of 2016.

A significant amount of the Company's fiscal 2017 loss was an unrealized loss on investments.

Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2018 and 2017, the Company entered into the transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

	Purchases of goods/services Nine months ended September 30 2018	 2017
2227929 Ontario Inc.	$ -	$ 50,850
Fiore Exploration Ltd	$ 25,262	$ 16,841

The Company shares office space with other companies who may have similar officers and directors. The costs associated with this space are administered by Fiore Exploration Ltd. to which the Company pays a fee. 2227929 Ontario Inc. no longer has any officers or directors in common with the Company. As at September 30, 2018, the Company advanced $Nil to 2227929 Ontario Inc. (September 30, 2017 – $50,850 owing to 2227929 Ontario Inc). Such amount was unsecured, non-interest bearing and has no fixed terms of payment.

As at September 30, 2018, the balance owing to Fiore was $nil (September 30, 2017 - $2,807). Such amount is unsecured, non-interest bearing and has no fixed terms of payment. Vern Arseneau, an officer of the Company, was an officer of Fiore until September 1, 2018.

Compensation of directors and management personnel of the Company:

The remuneration of directors and other members of key management personnel during the year ended September 30, 2018 and 2017 were as follows:

	2018	2017
Short-term benefits	$ 390,500	$ 434,000
Share-based payments	$ 263,250	$ -

At September 30, 2018, the Company had accounts payable balance of $248,000 (September 30, 2017 - $5,083) owing to its key management for expenses reimbursement. Such amounts are unsecured, non-interest bearing and with no fixed terms of payment.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The carrying value of cash and cash equivalents, receivable, investment at fair value through profit or loss, accounts payable and accrued liabilities approximate their fair values due to the short maturity of those instruments. See Note 11 of the Company's condensed consolidated financial statements.

MINERAL PROPERTIES EXPENDITURES

The Company is a venture issuer that has not had any revenue from operations in either of its last two financial years. The Company has capitalized all expenditures relating to the exploration of its mineral property. Details of deferred expenditures for the properties are as follows:

	December 31, 2017	Additions	September 30, 2018
Atacama Copper, Chile			
Property acquisition - cash	2,498,064	-	2,498,064
Assays	109,585	-	109,585
Radio Mapping and surveying	369,115	-	369,115
Consulting fees	623,236	228,834	852,070
Field work and supplies	684,979	162,363	847,342
Technical report	22,500	-	22,500
Travel	217,485	10,764	228,249
Legal fees	387,783	-	387,783
License and permits	1,462,376	52,933	1,515,309
Taxes	12,663	-	12,663
Long-term VAT	218,877	74,714	293,591
Option Agreement	-	252,616	252,616
B2Gold Option payment	(700,785)	-	(700,785)
JOGMEC Option payment	(719,341)	-	(719,341)
Gain on termination of B2Gold option agreement	(1,989,153)	-	(1,989,153)
Total Atacama Copper	3,197,384	782,225	3,979,609
La Finca, Chile			
Property acquisition - cash	78,333	-	78,333
Assays	25,785	-	25,785
Legal fees	8,524	-	8,524
Write-off	-	(112,642)	(112,642)
Total La Finca	112,642	(112,642)	-
Total Evaluation and Exploration	**3,310,026**	**669,583**	**3,979,609**

The Company decided not to pursue further exploration on the La Finca property at the end of Q2. As such, the Company has opted out of the underlying option agreement with the vendors.

OUTSTANDING SHARE DATA

As at November 29, 2018, the Company has 132,621,090 common shares issued and outstanding. Stock options, warrants and convertible securities outstanding as at November 29, 2018 are as follows:

Stock Options:
775,000 at an exercise price of $0.22 expiring July 22, 2019
1,980,000 at an exercise price of $0.17 expiring April 8, 2020
300,000 at an exercise price of $0.205 expiring July 16, 2020
950,000 at an exercise price of $0.35 expiring May 17, 2021
200,000 at an exercise price of $0.20 expiring May 9, 2022
4,000,000 at an exercise price of $0.09 expiring September 21, 2023

Warrants:
46,000,000 at an exercise price of $0.10 expiring September 6, 2021

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which includes the acquisition, financing, exploration and development of mining properties. These risk factors could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward–looking information relating to the Company.

Liquidity Concerns and Future Financings

The Company will require significant capital and operating expenditures in connection with the development of its properties. There can be no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms, if at all. Failure to obtain additional financing on a timely basis may cause the Company to postpone or slow down its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its activities.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Company's operations are subject to the hazards and risks normally encountered in the mineral exploration, development and production, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made by the Company towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, reserve and resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. Current market conditions are forcing many mining operations to increase capital and operating cost estimates. Indeed, there have been a number of mining operations that have ceased or been suspended or delayed because operation costs are estimated to be greater than projected prices of product. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

No Revenues

To date the Company has recorded no revenues from exploration operations and the Company has not commenced commercial production or development on any property. There can be no assurance that significant losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years in relation to the engagement of consultants, personnel and equipment associated with advancing exploration, development and commercial production of the Company's properties. The Company expects to continue to incur losses for the foreseeable future. The development of the Company's properties will require the commitment of substantial resources to conduct time-consuming exploration. There can be no assurance that the Company will generate any revenues or achieve profitability.

Foreign Exchange

The Company is subject to foreign exchange risks relating to the relative value of the Canadian dollar as compared to the US dollar. The Company supports its operations by raising financing in Canadian dollars and mineral commodities are sold in US dollars. A decline in the US dollar would result in a decrease in the real value of Arena's future revenues, if any, and adversely affect its financial performance.

Mineral Resource and Mineral Reserve Estimates May be Inaccurate

There are numerous uncertainties inherent in estimating mineral resources and mineral reserves, including many factors beyond the control of the Company. Such estimates are a subjective process, and the accuracy of any mineral resource or mineral reserve estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. These amounts are estimates only and the actual level of mineral recovery from such deposits may be different. Differences between management's assumptions, including economic assumptions such as commodity prices and market conditions, could have a material adverse effect on the Company's financial position and results of operations.

Differences between management's assumptions, including economic assumptions such as commodity prices and market conditions, and actual events could have a material adverse effect on the Company's mineral reserve estimates.

Licenses and Permits, Laws and Regulations

The Company's exploration and development activities, including mine, mill, road, rail and other transportation facilities, require permits and approvals from various government authorities and are subject to extensive federal, provincial, state and local laws and regulations governing prospecting, development, production, exports, taxes, labour standards, occupational health and safety, mine safety and other matters. Such laws and regulations are subject to change, can become more stringent and compliance can therefore become costlier. In addition, the Company may be required to compensate those suffering loss or damage by reason of its activities. There can be no guarantee that Arena will be able to maintain or obtain all necessary licenses, permits and approvals that may be required to explore and develop its properties, commence construction or operation of mining facilities.

Mineral Commodity Prices

The profitability of the Company's operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, the world supply of mineral commodities and the stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The price of mineral commodities has fluctuated widely in recent years, and future price declines could cause commercial production to be impracticable, thereby having a material adverse effect on the Company's business, financial condition and result of operations.

Environmental

The Company's activities are subject to extensive federal, provincial state and local laws and regulations governing environmental protection and employee health and safety. Environmental legislation is evolving in a manner that is creating stricter standards, while enforcement, fines and penalties for non-compliance are also increasingly stringent. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. Further, any failure by the Company to comply fully with all applicable laws and regulations could have significant adverse effects on the Company, including the suspension or cessation of operations.

Title to Properties

The acquisition of title to resource properties is a very detailed and time-consuming process. Title to the mining claims may be disputed or may not be properly recorded with the applicable regulatory authority and may be invalid or void. The Corporation's rights and interest in and to its properties may be subject to prior unregistered agreements or transfers or indigenous land claims and title may be affected by undetected defects. In addition, the Corporation may be unable to operate its properties as permitted or enforce its rights with respect to its properties, and the title to its mineral properties may also be impacted by government or state action.

Risks Associated with Exploration Activities in Foreign Countries

The Company will conduct exploration activities in Chile which has, from time to time, experienced political and economic instability. The Company may be materially adversely affected by risks associated with political instability and violence, war and civil disturbance, acts of terrorism, expropriation or nationalization, change in fiscal regimes, fluctuations in currency exchange rates, high rates of inflation, underdeveloped industrial and economic infrastructure; and enforceability of contractual rights.

Uninsured Risks

The Company maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could result in significant liabilities to the company and increase costs of projects.

Competition

Arena competes with many other mining companies that have substantially greater resources than the Company. Such competition may result in the Company being unable to acquire desired properties, recruit or retain qualified employees or acquire the capital necessary to fund its operations and develop its properties. The Company's inability to compete with other mining companies for these resources would have a material adverse effect on the Company's results of operation and business.

Dependence on Outside Parties

Arena has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop processes to extract the commodity from the ore. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on Arena.

Conflicts of Interest

Certain of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of Arena may have a conflict of interest in negotiating and concluding terms respecting such participation.

Litigation

Arena has entered into legally binding agreements with various third parties on a consulting basis. The interpretation of the rights and obligations that arise from such agreements is open to interpretation and Arena may disagree with the position taken by the various other parties resulting in a dispute that could potentially initiate litigation and cause Arena to incur legal costs in the future. Given the speculative and unpredictable nature of litigation, the outcome of any such disputes could have a material adverse effect on Arena.

New and future accounting changes

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for accounting periods beginning on January 1, 2018 or later. Updates that are not applicable or are not consequential to the Company have been excluded.

IFRS 9 – Financial Instruments ("IFRS 9") was issued by the IASB in November 2009 with additions in October 2010 and May 2013 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9, except that an entity choosing to measure a financial liability at fair value will present the portion of any change in its fair value due to changes in the entity's own credit risk in other comprehensive income, rather than within profit or loss. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company does not expect this change to have a material impact on its financial statements.

IFRS 2 – Share-based Payment ("IFRS 2") was amended by the IASB in September 2016 to clarify the accounting for cash-settled share-based payment transactions that include a performance condition, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The amendments are effective for annual periods beginning on or after January 1, 2018. The Company has not considered the impact of adopting IFRS 2.

IFRIC 22 – Foreign Currency Transactions and Advance Consideration ("IFRIC 22") was issued in December 2016 and addresses foreign currency transactions or parts of transactions where there is consideration that is denominated in a foreign currency; a prepaid asset or deferred income liability is recognized in respect of that consideration, in advance of the recognition of the related asset, expense or income; and the prepaid asset or deferred income liability is non-monetary. The interpretation committee concluded that the date of the transaction, for purposes of determining the exchange rate, is the date of initial recognition of the non-monetary prepaid asset or deferred income liability. IFRIC 22 is effective for annual periods beginning on or after January 1, 2018. The Company has not considered the impact of adopting IRFIC 22.

IAS 7 – Statement of Cash Flows ("IAS 7") was amended in January 2016 to clarify that disclosures shall be provided that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendments are effective for annual periods beginning on or after January 1, 2017. There is no material impact on its financial statements in adopting IAS 7.

IAS 12 – Income Taxes ("IAS 12") was amended in January 2016 to clarify that, among other things, unrealized losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use; the carrying amount of an asset does not limit the estimation of probable future taxable profits; and estimates for future taxable profits exclude tax deduction resulting from the reversal of deductible temporary differences. The amendments are effective for annual periods beginning on or after January 1, 2017. There is no material impact on its financial statements in adopting IAS 12.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Assets' carrying values and impairment charges

In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

Capitalization of exploration and evaluation costs

Management has determined that exploration and evaluation costs incurred during the year have future economic benefits and are economically recoverable. In making this judgment, management has assessed various sources of information including but not limited to the geologic and metallurgic information, history of conversion of mineral deposits to proven and probable mineral reserves, scoping and feasibility studies, proximity of operating facilities, operating management expertise and existing permits.

Impairment of exploration and evaluation assets

While assessing whether any indications of impairment exist for exploration and evaluation assets, consideration is given to both external and internal sources of information. Information the Company considers includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of exploration and evaluation assets. Internal sources of information include the manner in which exploration and evaluation assets are being used or are expected to be used and indications of expected economic performance of the assets. Estimates include but are not limited to estimates of the discounted future after-tax cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate. Reductions in commodity price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and mineral resources and/or adverse current economics can result in a write-down of the carrying amounts of the Company's exploration and evaluation assets.

Estimation of decommissioning and restoration costs and the timing of expenditure

The cost estimates are updated annually during the life of a mine to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations), and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Share-Based Payments

Management determines costs for share-based payments using the Black-Scholes valuation method, a market-based valuation technique. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Taxes, income taxes and deferred taxes

The Company is subject to income and other taxes in various jurisdictions. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income and other tax liabilities requires interpretation of complex laws and regulations often involving multiple jurisdictions. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax filings are subject to audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made. All estimates for value added and withholding taxes have been included in accounts payable and accrued liabilities.