NEW MILLENNIUM IRON CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ended

December 31, 2018

(Fourth Quarter)

This management discussion and analysis ("MD&A") of New Millennium Iron Corp., ("New Millennium" or "NML" or the "Company") follows rule 51-102 of the Canadian Securities Administrators regarding continuous disclosure.

The following MD&A is a narrative explanation, through the eyes of the management of New Millennium, on how the Company performed during the three-month period and year ended December 31, 2018. It includes a review of the Company's financial condition and a review of operations for the three-month period and year ended December 31, 2018 as compared to the three-month period and year ended December 31, 2017.

This MD&A complements the audited consolidated financial statements for the year ended December 31, 2018 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations and it should be read in conjunction with the audited consolidated financial statements as at December 31, 2018 and related notes thereto.

The audited consolidated financial statements for the years ended December 31, 2018 and 2017 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standard Board ("IASB"), applicable to the preparation of annual consolidated financial statements. The accounting policies applied in the financial statements are based on IFRS issued and effective as at December 31, 2018. On March 26, 2019, the Board of Directors approved, for issuance, the annual consolidated financial statements and this MD&A.

All figures are in Canadian dollars unless otherwise stated. Additional information relating to the Company can be found on SEDAR at www.sedar.com. The shares of New Millennium are listed on the Toronto Stock Exchange ("TSX") under the symbol "NML".

REPORT'S DATE

The MD&A was prepared with the information available as at March 26, 2019.

READER ADVISORY

This MD&A contains certain forward looking statements and forward looking information (collectively referred to herein as "forward looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward looking statements. Forward looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", "projected", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well positioned" or similar words suggesting future outcomes. In particular, this MD&A may contain forward looking statements relating to future opportunities, business strategies, mineral exploration, development and production plans and competitive advantages.

The forward looking statements regarding the Company are based on certain key expectations and assumptions of the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, exchange rates, tax laws, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, the actual results of exploration and development projects being equivalent to or better than estimated results in technical reports or prior activities, and future costs and expenses being based on historical costs and expenses, adjusted for inflation, all of which are subject to change based on market conditions and potential timing delays. Although management of the Company consider these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

By their very nature, forward looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward looking statements will not be achieved. Undue reliance should not be placed on forward looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions

expressed in the forward looking statements, including among other things: inability of the Company to continue meeting the listing requirements of stock exchanges and other regulatory requirements, general economic and market factors, including business competition, changes in government regulations or in tax laws; general political and social uncertainties; commodity prices; the actual results of exploration, development or operational activities; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of, or estimates contained in, feasibility studies, pre-feasibility studies or other economic evaluations; and lack of qualified, skilled labour or loss of key individuals; as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, along with the Company's annual information form, all of which are filed and available for review on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list is not exhaustive.

The forward looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward looking statements included in this MD&A are made as of the date of this MD&A and the Company does not undertake and is not obligated to publicly update such forward looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

With respect to the disclosure of historical resources in this MD&A that are not currently in compliance with National Instrument 43-101 ("NI 43-101"), a Qualified Person (as such term is defined under NI 43-101) (a "Qualified Person") has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves, the Company is not treating the historical estimate as current mineral resources or mineral reserves and the historical estimate should not be relied upon.

OVERVIEW OF BUSINESS

NML is a Canadian iron ore exploration, evaluation and development company with an extensive property position called the Millennium Iron Range ("MIR") in Canada's principal iron ore district, the Labrador Trough, straddling the Province of Newfoundland and Labrador and the Province of Quebec, in the Menihek Region around Schefferville, Quebec. The Company's project areas are connected via a well-established, heavy-haul rail network to the Port of Sept-Îles, Quebec, where the Company has an interest in reserved shiploading capacity at a newly constructed wharf capable of servicing large, Panamax-class bulk carriers.

Tata Steel Limited ("Tata Steel"), a global steel producer and industry leader, owns approximately 26.2% of the Company and is the Company's largest shareholder.

NML has a 4.32% interest in Tata Steel Minerals Canada Ltd. ("TSMC"), which is owner and operator of a direct shipping ore ("DSO") project near Schefferville. The DSO project produces and ships sinter fines. Subsidiaries of Tata Steel and the Quebec Government's financing arm, Investissement Québec, own the remainder of TSMC.

Beyond TSMC, the Company offers further development potential through a group of seven, NI 43-101 compliant, long-life taconite properties capable of producing high quality pellets and pellet feed to service the requirements of steel makers with either blast furnace or direct reduced iron making operations. Two of these deposits – LabMag and KéMag – were the subject of large-scale development feasibility studies carried out by the Company and Tata Steel, published in March 2014, and filed on SEDAR.

With these feasibility study results as a foundation, the Company reviewed its taconite development strategy through the design of a smaller market entry initiative called the NuTac Project, for which a NI 43-101 prefeasibility study was carried out, published in June 2016, and filed on SEDAR.

In the currently challenging market environment for new greenfield iron ore projects, NML has implemented cash conservation measures, while protecting its mineral claims and iron ore development positioning. At the

end of 2018, the Company announced the study with assistance from independent advisors of new business opportunities aimed at diversifying its iron ore and infrastructure interests.

MINERAL EXPLORATION AND EVALUATION ASSETS

The Company holds interests in 1,194 claims distributed among taconite iron ore properties in Newfoundland and Labrador ("NL") and Québec.

Table 1 below represents the 1,194 claims with potential economic benefit, while Table 2 below shows NML's prominent NI 43-101 compliant resource holdings not only for LabMag and KéMag, but also the other important MIR deposits presented, for which exploration drilling and analysis has been effectively completed. The expenditures incurred to date on each of the Company's Taconite properties are presented in Table 3 below.

Table 1
NML – Summary of Mineral Claims

Province	Ownership	LabMag Property	KéMag Property	Howells Lake-Howells River North Properties	Perault Lake Property	Lac Ritchie Property	Sheps Lake Property	Other Properties	Total
NL	NML	-	-	122 [30.5 km^2]	217 [54.25 km^2]	-	-	18 [4.5 km^2]	357 [89.25 km^2]
	LLP	256 [64 km^2]	-	145 [36.25 km^2]	-	-	140 [35 km^2]	-	541 [135.25 km^2]
Québec	NML	-	171 [80.9 km^2]	-	-	97 [47.0 km^2]	-	28 [12.1 km^2]	296 [140.0 km^2]
Total		**256** [64 km^2]	**171** [80.9 km^2]	**267** [66.75 km^2]	**217** [54.25 km^2]	**97** [47.0 km^2]	**140** [35 km^2]	**46** [16.6 km^2]	**1,194** [364.5 km^2]

Note: Claims registered under New Millennium Iron Corp. are owned 100% by the Company. Claims registered under LabMag Limited Partnership ("LLP") are owned 80% by the Company through its interest in LLP.

Although the Company has taken steps to verify title to the mining properties in which it holds an interest in accordance with industry practices for the current stages of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Property titles may be subject to unregistered prior agreements and restrictions arising from regulatory requirements

Table 2
NML – Millennium Iron Range Taconite Properties

Property	Reserves and Resources Category, Million Tonnes		
	Proven & Probable	Measured & Indicated	Inferred
KéMag	2,384		1,007
LabMag	3,933	388	1,063
Howells Lake-Howells River North		7,631	3,310
Sheps Lake		1,967	289
Perault Lake		1,612	507
Lac Ritchie		3,330	1,437
Total	6,317	14,928	7,613

Notes: 1) NML owns 100% of the properties mentioned above except for LabMag, Howells River North and Sheps Lake, which are 80% owned through the Company's interest in LabMag Limited Partnership. 2) The cut-off used to report these resources is minimum 18% Davis Tube Weight Recovery.

Table 3
NML – Cumulative Costs Incurred on Taconite Properties

Property	Cumulative Expenditures
KéMag	$16,096,539
LabMag	28,551,830
Howells Lake-Howells River North	5,111,670
Sheps Lake	1,345,610
Perault Lake	5,084,168
Lac Ritchie	2,473,023
Total	$58,662,840

Note: These expenditures are net of tax credits, mining duties and Tata Steel's option payments on the Taconite Projects.

NML TACONITE STUDIES

The taconite deposits controlled by NML have similar characteristics in terms of geology, mineralogy and metallurgical properties. Each is a long-life property with inherently low alumina and phosphorus that can yield high quality saleable products with the same processing technologies. Similar taconite ores in the United States have been a principal source of iron ore pellets for steelmakers since the 1950s.

Two of NML's deposits have been comprehensively assessed for their technical and commercial development potential through several studies discussed below. These are the KéMag deposit at Lac Harris, Québec, about 50 km to the northwest of Schefferville, QC, and the LabMag deposit at Howells River, NL, in the Menihek region of western Labrador, bordering Québec and also near Schefferville. Management believes these project studies provide sufficiently detailed technical and economic criteria and analysis for discussions with third parties interested in the next stage of development.

Other taconite deposits controlled by the Company and explored to NI 43-101 compliance are also presented in this section.

NuTac Project Initiative

The NuTac pre-feasibility study ("PFS"), a 2016 NI 43-101 technical report, is a re-scoping of previous mining processing work (see The Taconite Project section below). The PFS is designed for a project to produce 8.7 million tonnes of concentrate, and manufacture pellets through a plant located at Pointe-Noire, Quebec, with 9 million tonnes of annual capacity. The PFS concept is a pellet project sized and costed for market entry when conditions permit.

Pre-Feasibility Study Results

In June 2016, NML announced the results of its NuTac Project initiative begun in September 2015 to examine a further range of options for development of the MIR taconite properties, together with the use of existing and planned infrastructure for rail haulage, stockpiling and shiploading. NuTac responded to the changed macroeconomic environment for iron ore and resulted in an alternative to the Taconite Project as a development concept.

Under NuTac, a PFS reviewed all development aspects of each of NML's taconite deposits, including resources, location, ownership, jurisdictional considerations, market potential and historical work, and the KéMag deposit, in which NML holds a 100% interest, was selected for base case analysis, although other deposits also showed attractive development potential.

The NuTac initiative thus produced a re-scoped project development plan for KéMag in the form of a lower capital cost project servicing mainly the growing pellet segment of the iron ore market.

Whereas the Taconite Project evaluated the mining of the LabMag and/or KéMag deposits followed by the production of ~23 million tonnes per year ("Mtpy") of concentrate at the mine site and its transportation in slurry form via a buried pipeline to a pellet plant at Sept-Îles, resulting in an overall saleable product mix of ~17 Mtpy of pellets and ~6 Mtpy of concentrate, NuTac targets the production of ~9 Mtpy of pellets. The sale of fine-sized iron ores, such as concentrate or pellet feed, was not central to the NuTac business plan, but there would be flexibility to adapt if warranted by market demand.

A NI 43-101 Technical Report ("Report") on NuTac confirmed by Qualified Persons in their respective fields and stating the highlights of the PFS results for the NuTac Project initiative was filed on SEDAR on July 21, 2016. The effective date of the Report was June 9, 2016, and there were no material differences between the PFS results announced earlier and those contained in the Report.

In Management's view, the NuTac PFS shows a solid project outcome targeting the high-quality segment of the iron ore market, based on the established resource identification and processing technology available from earlier studies, along with balanced assumptions. While no decisions on further work have been made, the PFS defines the next engineering, permitting and financing steps required to advance the development of KéMag, thereby adding to the NML Board's range of options when considering opportunities to monetize NML's significant taconite assets.

The Taconite Project

On March 6, 2011, the Company signed a Heads-of-Agreement ("HOA") with Tata Steel Global Minerals Holdings PTE Ltd. ("Tata Steel") in respect of potential development projects for the LabMag Property and the KéMag Property (collectively referred to as the "Taconite Project"). Under the HOA, Tata Steel participated in a feasibility study to evaluate the potential development of these projects and has the option to own an 80% interest should there be a project outcome.

Each of the LabMag and KéMag deposits could support a large-scale iron ore concentrating and pelletizing complex comparable to that of existing Labrador Trough producers and become a source of saleable product qualities capable of servicing iron making through either the blast furnace or direct reduction route. Recognizing the macro-economic situation poses challenges for development of the Taconite Project as currently conceived in the HOA, each of NML and Tata Steel are revisiting their possible approaches with respect to these properties.

Other Properties

Howells Lake and Howells River North

These two Properties are located approximately 47 km northwest of Schefferville in the Elross Township and occur in the same continuous taconite formation. These two areas were drilled in detail in 2012. Based on the drilling results, NML engaged SGS Canada Inc. ("SGS") to provide a NI 43-101 compliant resource estimation. SGS provided a combined resource estimation report for the Howells Lake and Howells River North Properties.

Sheps Lake

The Sheps Lake Property is located in NL, south of the LabMag property and is approximately 20 km south-west of Schefferville. NML carried out drilling in 2011 and 2012. SGS provided a NI 43-101 compliant resource estimation.

Perault Lake

The Perault Lake Property is located in NL, immediately south of the Sheps Lake Property, approximately 17 km southwest of Schefferville. In 2012, NML carried out a Phase 1 exploration drilling program. Based on the results of the drilling, SGS provided a NI 43-101 compliant mineral resource estimation.

Lac Ritchie

The Lac Ritchie Property is located approximately 134 km northwest of Schefferville and approximately 70 km northwest of the KéMag deposit in Québec. NML conducted Phase 1 drilling in 2011. Based on the results of drilling, SGS provided a NI 43-101 compliant Technical Report on the mineral resource estimates for the property.

GENERAL CORPORATE AFFAIRS

In 2018, NML continued its cash conservation measures and new investment strategies aimed at keeping the Company cash flow neutral. . At the end of 2018, NML held approximately $16.4 million in cash and marketable securities, and had overall working capital of $16.3 million. The Company's business priorities such as claims management, essential administration and regulatory matters are being successfully carried out by a small management team.

Assignment of Portion of PSI Contract Capacity

On April 19, 2018, NML announced that it had entered into agreements with the Sept-Îles Port Authority ("PSI") and Tacora Resources Inc. ("Tacora") under which a portion of the Company's multi-user wharf .capacity will be sold to Tacora in conjunction with Tacora's planned re-start of the Scully Mine located near the town of Wabush, Newfoundland and Labrador. The agreements called for Tacora to purchase the rights to 6.5 million tonnes of the 15 million tonnes of annual wharf capacity reserved by NML in the July 2012 contract with the PSI, along with the associated rights and obligations, shipping rates and other terms in the July 2012 contract. The Company announced closing of the transaction on November 19, 2018.

Total consideration comprised $4 million paid to NML on the closing date and further payments to NML of $0.10 per tonne of iron ore shipped under the sold capacity over a 20-year period to commence from and after the date of Tacora's first shipment through the Port facilities. Due to the delay in closing the transaction on Tacora's end, the Company charged Tacora additional amounts totalling $384,245. The Company received all these amounts during the year.

Other than the reduction in NML's annual wharf capacity to 8.5 million tonnes, there is no change to NML's existing arrangements with the PSI regarding the rights and shipping rates related to the remaining reserved capacity and the Company will not be required to make any additional cash outlays to meet its take-or-pay obligation.

The multi-user wharf became operational in the first quarter of 2018 and is actively loading Capesize vessels for the seaborne iron ore market

Executives Update

On November 7, 2018, NML announced the appointment of Robert P. Boisjoli as Chief Financial Officer, succeeding Mark Freedman, who earlier became a partner at Ernst & Young LLP. Mr. Boisjoli is Managing Director of Atwater Financial Group and a Fellow Chartered Professional Accountant with over 30 years of operational and advisory experience, including in the mining sector. He is the founder of two companies and sits on the boards of directors of public and private companies where he is also the audit committee chairman.

Tax credits and mining duties receivable

After careful review and analysis of the Mining Tax Credits claims and related Mining Duties receivable with our legal and financial advisors, management believes that notwithstanding it is entitled to a greater amount than the current amount recorded in the financial statements, based on management's risk assessment of collecting this including the cost of pursuing this claim, it was decided to reduce the amount to $428,384 based on our best estimate of success in pursuing this claim against RQ..

Due from Tata Steel

During the year, there were further discussions between NML and Tata Steel ("Tata") regarding the previously reported amount due from Tata with Tata advising the Company of disagreement with calculations making up the basis for the receivable. Upon review, the Company has not been provided with sufficient certainty to consider the amount due from Tata as collectible and accordingly has written down the full amount of the receivable. The write-down of the receivable does not mean that the Company does not believe that it does not have a valid claim for those costs incurred on behalf of Tata Steel during the Feasibility Studies of the Taconite projects. The Company and Tata Steel are currently reviewing the details of those charges and are confident that a negotiated settlement will be reached.

New Business Initiative

On December 18, 2018, the Company announced the study with assistance from independent advisors of new business opportunities aimed at diversifying its iron ore and infrastructure interests. In addition, a Special Committee of independent directors was formed to assist management and the appointed advisors in reviewing opportunities and to make recommendations to the Board. To date several opportunities have been reviewed and analyzed. It is expected that the Special Committee and its advisors will be in a position to make some recommendations to the Board in the near future.

Outlook

With regard to the company's main business, in the currently challenging market environment for new greenfield iron ore projects, NML's main projects are on hold and NML has implemented cash conservation measures, while protecting its mineral claims and iron ore development positioning. At the end of 2018, the Company announced the study with assistance from independent advisors of new business opportunities aimed at diversifying its iron ore and infrastructure interests. This study will be pursued in 2019 in order to seek a method of creating shareholder value. A Special Committee of independent directors was formed to assist management and the appointed advisors in reviewing opportunities and to make recommendations to the Board.

TSMC'S DSO PROJECT

NML has a 4.32% interest in TSMC, which is owner and operator of a direct shipping ore ("DSO") project near Schefferville, Quebec. The DSO project is in ramp-up stage and produces and ships sinter fines. Subsidiaries of Tata Steel and the Quebec Government's financing arm, Investissement Québec, own the remainder of TSMC.

TSMC ships to Tata Steel Europe and customers in Asia from a well-established, seasonal crushed and screened DSO product stream. Shipments in the 2018 operating season totaled 1.7 million metric tons (wet basis).

TSMC in early 2019 completed and began system trials for its enclosed beneficiation plant that, when fully operational, will add higher quality fines to the saleable product mix.

NML is not active in either the management or operations of TSMC and will only derive revenue from the DSO Project when TSMC is in a dividend-paying position, which is not known at this time.

In conformance with a new accounting standard for the classification and measurement of financial assets effective January 1, 2018, NML has begun to measure its investment in TSMC at fair value (see ***Financial Condition*** section below). The new accounting standard calls for the fair value to be calculated and reported quarterly. A discounted cash flow model was used incorporating TSMC's business assumptions and other factors to arrive at the estimated present value of net cash flow available for projected dividends to the Company as an equity investor. The discounted cash flow model and the related business assumptions and other factors, which include market conditions and are more fully described in Note 2.6 and Note 20 of the 2018 audited consolidated financial statements, are reviewed quarterly.

With the change in accounting policy, the Company had a recorded value of $10,148,595 on December 31, 2017 which on January 1, 2018 was reduced by $1,712,595 to $8,436,000. Subsequently, due to the quarterly reviews of the fair value, the Company increased the carrying value of its investment in TSMC by an additional $1,149,000 for the year ended December 31, 2018 to $9,585,000.

FINANCIAL CONDITION

IFRS Accounting policies

The Company's significant accounting policies under IFRS are disclosed in Note 4 in the audited annual consolidated financial statements for the year ended December 31, 2018.

Use of estimates and judgements

Please refer to Note 2.6 of the 2018 audited annual consolidated financial statements for an extended description of the information concerning the Company's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

Changes in accounting policies

The Company's changes to accounting policies are disclosed in Note 3 in the audited annual consolidated financial statements for the year ended December 31, 2018.

New standards and interpretations that have not yet been adopted

The information is provided in Note 4.21 of the 2018 consolidated financial statements.

Financial Instruments

All financial instruments are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are initially measured at fair value plus transaction costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets are derecognized when the contractual right to the cash flows from the financial assets expire, or when the financial asset and all substantial risks and rewards are transferred.

An extended description of the Company's financial instruments and their fair values is provided in Note 20 of the 2018 consolidated financial statements.

Selected annual financial information

The following selected financial information is derived from our audited financial statements for each of the three most recently completed financial years.

NEW MILLENIUM IRON CORP.
SELECTED ANNUAL FINANCIAL INFORMATION

	December 31 2018	December 31 2017	December 31 2016
	$	$	$
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)			
Revenue			
Service fee revenue	**-**	-	344,618
	-	-	344,618
Expenses			
General and administrative expenses	**1,025,179**	1,634,827	5,535,947
Mineral exploration and evaluation	**(2,316,952)**	(195,730)	591,192
Impairment (reversal of impairment) of other assets	**(4,384,245)**	38,502,545	-
Change in fair value of long-term investment	**(1,149,000)**	-	-
Write-down of tax credits and mining duties receivable	**4,445,369**	-	-
Write-down of due from Tata Steel	**3,843,972**	-	-
Derecognition of mining duties payable	**(1,285,049)**	-	-
	179,274	39,941,642	6,127,139
Other items			
Investment income	**843,987**	667,350	209,007
Change in fair value of marketable securities	**(364,830)**	276,842	-
	479,157	944,192	209,007
Net income (loss)	**299,883**	(38,997,450)	(5,573,514)
Other comprehensive loss			
Change in fair value of fixed rate investments	**(1,337,100)**	-	-
	(1,337,100)	-	-
Net income (loss) and comprehensive loss	**(1,037,217)**	(38,997,450)	(5,573,514)
Net income (loss) attributable to:			
Shareholders of New millennium Iron Corp.	**299,883**	(38,997,450)	(5,573,514)
Non-controlling interests	**-**	-	-
Other comprehensive loss attributable to:			
Shareholders of New millennium Iron Corp.	**(1,337,100)**	-	-
Non-controlling interests	-	-	-
Net loss and comprehensive loss attributable to:			
Shareholders of New millennium Iron Corp.	**(1,037,217)**	(38,997,450)	(5,573,514)
Non-controlling interests	**-**	-	-
Basic and diluted loss per share:	**0.00**	(0.22)	(0.03)

	December 31 2018	December 31 2017	December 31 2016
	$	$	$
CONSOLIDATED STATEMENTS OF CASH FLOWS			
Cash flows from (used for) operating activities	**3,352,348**	(2,834,052)	(4,132,844)
Cash flows from financing activities	**93,325**	623,202	-
Cash flows from investing activities	**2,654,472**	978,477	3,312,408
Net change in cash	**6,100,145**	(1,232,373)	(820,436)

	December 31 2018	December 31 2017	December 31 2016
	$	$	$
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
Cash	**7,087,065**	986,920	2,219,293
Marketable securities	**9,411,009**	12,590,342	11,865,725
Due from Tata Steel (current assets)	**-**	-	2,002,571
Total current assets	**16,466,673**	13,641,212	16,167,798
Due from Tata Steel (non-current assets)	**-**	1,763,137	-
Tax credits and mining duties receivable	**428,384**	4,843,790	4,952,495
Other assets	**-**	-	38,502,545
Long-term investment	**9,585,000**	10,148,595	10,148,595
Total non-current assets	**10,356,755**	17,098,893	53,955,674
Mining duties payable	**88,441**	1,373,490	824,339
Non-controlling interest	**238,351**	238,351	238,351
Equity	**25,819,360**	28,569,172	67,566,622

The basic and diluted loss per share during the year ended December 31, 2018 is $0.00 ($0.22 in 2017 and $0.03 in 2016). During the year ended December 31, 2018, the Company realized a net income and comprehensive loss of $1,037,217 as compared to a net loss and comprehensive loss of $38,997,450 (a decrease of $37,960,233 compared to 2017) for the year ended December 31, 2017 and a net loss and comprehensive loss of $5,918,132 (an increase of $33,079,318 compared to 2016) for the year ended December 31, 2016.

The significant decrease of $37,960,233 for the year ended December 31, 2018 as compared to 2017 in net income and comprehensive loss ($1,037,217 in 2018 compared to $38,997,450 in 2017) is mainly due to the impairment of other assets of $38,502,545 recognized in 2017 comprised of the buy in payment for the new multi-user dock and related costs in view of the low probability of NML shipping prior to having fully applied the previously advanced funds to its take-or-pay obligation.

The significant increase of $36,980,438 for the year ended December 31, 2017 as compared to 2016 in net loss and comprehensive loss ($38,997,450 in 2017 compared to $5,918,132 in 2016) is attributable to the impairment of other assets of $38,502,545 recognized in 2017, relating to the advances that had been made to the Port.

As at December 31, 2018, the total current assets were $16,466,673, an increase of $2,825,461 as compared to the total of current assets of $13,641,212 as at December 31, 2017. This increase is mostly due to a significant increase of $6,010,145 in cash ($6,997,065 as at December 31, 2108 as compared to $986,920 as at December 31, 2017). As at December 31, 2017, the total current assets were $13,641,212, a decrease of $2,526,586 as compared to the total of current assets of $16,167,798 as at December 31, 2016. This decrease is mostly due to the reclassification of the due from Tata Steel from current to non-current asset as the Company no longer expects to collect this within one year of the financial statements date.

As at December 31, 2018, the non-current assets were $10,356,755, a decrease of $6,742,138 as compared to the non-current assets of $17,098,893 as at December 31, 2017. This decrease is mostly due to a write-down of tax credit and mining duties receivable of $4,445,369 combined with a write-down of due from Tata Steel of $3,843,972 recorded in the statement of loss and comprehensive loss during the year ended December 31, 2018. As at December 31, 2017, the non-current assets were $17,098,893, a decrease of $36,856,781 as compared to the non-current assets of $53,955,674 as at December 31, 2016. This decrease is mostly due to the write-down of other assets of $38,502,545 recorded in the statement of loss and comprehensive loss during the year ended December 31, 2017.

The Company's current liabilities as at December 31, 2018 consist of its trade and other payables of $199,100, an increase of $24,859 as compared to current liabilities of $174,241 as at December 31, 2017. As at December 31, 2017, the current liabilities were $174,241, a decrease of $1,558,270 as compared to the current liabilities of $1,732,511 as at December 31, 2016.

The Company's non-current liabilities as at December 31, 2018 consist of long-term trade and other payables of $716,527 and mining duties payable of $88,441, a decrease of $1,191,724 as compared to non-current liabilities of $1,996,692 as at December 31, 2017 which consist of long-term trade and other payables of $623,202 and mining duties payable of $1,373,490. The Company's non-current liabilities as at December 31, 2017 consist of long-term trade and other payables of $623,202 and mining duties payable of $1,373,490, an increase of $1,172,353 as compared to non-current liabilities of $824,339 as at December 31, 2016 which consist of mining duties payable of $824,339.

As at December 31, 2018, equity attributable to shareholders of the Company is $25,581,009, a decrease of $2,749,812 from FYE 2017, and is comprised of share capital of $177,584,512, contributed surplus of $22,432,436, less the deficit of $173,382,039 and the accumulated other comprehensive loss of $1,053,800. The non-controlling interest of $238,351 relates to LabMag Limited Partnership whose main property is the LabMag Property and remains unchanged from FYE 2017, for a total equity of $25,819,360.

As at December 31, 2017, equity attributable to shareholders of the Company was $28,330,821, a decrease of $38,997,450 from FYE 2016, and is comprised of share capital of $177,584,512, contributed surplus of

$22,432,336, less the deficit of $171,686,027. The non-controlling interest of $238,351 relates to LabMag Limited Partnership whose main property is the LabMag Property and remains unchanged from FYE 2016, for a total equity of $28,569,172.

During the year ended December 31, 2018, the Company's cash, cash received from Tacora and investment income were used to pay for some of its operating expenses and trade and other payables. The Company's operating expenses were mainly offset by the cash received from Tacora and a portion of other items comprised of investment income reduced by the decrease in the fair value of the marketable securities. The combination of cash received from Tacora reduced by operating expense and the changes to the fair value of the marketable securities resulted in the increase of the Company's current assets and working capital during the period. This increase in current assets was offset by an overall reduction recorded in the due from Tata Steel and the tax credits and mining duties receivable as well as the reduction of the fair value of the long-term investment in TSMC resulting in a decline in the Company's total assets from FYE 2017.

Since its incorporation, the Company has not paid any cash dividends on its outstanding common shares. Any future dividend payment will depend on the Company's financial needs to fund its exploration programs and its future growth, and any other factor that the Board may deem necessary to consider. It is highly unlikely that any dividends will be paid in the near future.

Results of operations for the year ended December 31, 2018

Net income (loss) and comprehensive loss

During the year ended December 31, 2018, the Company realized a net income and comprehensive loss of $1,037,217 as compared to a net loss and comprehensive loss of $38,997,450 for the year ended December 31, 2017.

The decrease of $37,960,233 for the year ended December 31, 2018 as compared to 2017 in net income and comprehensive loss is attributable to the impairment of other assets of $38,502,545 recognized in 2017 comprised of the buy in payment for the new multi-user dock and related costs in view of the low probability of NML shipping prior to having fully applied the previously advanced funds to its take-or-pay obligation.

During the year ended December 31, 2017, the Company realized a net loss and comprehensive loss of $38,997,450 as compared to a net loss and comprehensive loss of $5,573,514 for the year ended December 31, 2016.

The significant increase of $33,423,936 for the year ended December 31, 2017 as compared to 2016 in loss and comprehensive loss is attributable to a significant increase of comprehensive loss is attributable to the impairment of other assets of $38,502,545 recognized in 2017 comprised of the buy in payment for the new multi-user dock and related costs in view of the low probability of NML shipping prior to having fully applied the previously advanced funds to its take-or-pay obligation.

Operating expenses

During the year ended December 31, 2018, operating expenses were $179,274 as compared to $39,941,642 for the year ended December 31, 2017.

The significant decrease of $39,762,368 for the year ended December 31, 2018 as compared to 2017 in operating expenses is mostly attributable to the impairment of other assets of $38,502,545 recognized in 2017 relating to the advances that had been made to the Port. In addition, the decrease comprised in 2018, a write-down of tax credits and mining duties receivable of $4,445,369, a write-down of due from Tata Steel of $3,843,972 combined with a reversal of impairment of other assets of $4,384,245, a derecognition of mining duties payable of $1,285,049, an increase of fair value of $1,149,000 for the long-term investment and a recovery of mineral exploration and evaluation expenses of $2,316,952.

During the year ended December 31, 2017, operating expenses were $39,941,642 as compared to $6,127,139 for the year ended December 31, 2016.

The significant increase of $33,814,503 for the year ended December 31, 2017 as compared to 2016 in operating expenses is mostly attributable to the impairment of other assets of $38,502,545 recognized in 2017 relating to the advances that had been made to the Port combined with a significant decrease of general and administrative expenses of $3,901,120. In addition, the Company's restructuring costs relating to the organizational restructuring decreased by approximately $1,089,000 from FYE 2016. The primary items of the general and administrative expense decline were: in 2017 the Company eliminated its payroll and as such salaries, wages and benefits decreased by approximately $1,471,000, and consulting, legal and professional fees which decreased by approximately $637,000 mostly due to having incurred in 2016 costs associated with the March 2016 Special Meeting. The Company and its subsidiaries have no full-time employees and on-going administrative functions are being managed by three (3) individual consultants.

Other items

During the year ended December 31, 2018, the other items were $479,157 as compared to other items of $944,192 for the year ended December 31, 2017. The decrease of $465,035 is mainly due to the change in fair value of marketable securities of $641,672 (negative change in fair value of $364,830 for 2018 as compared to a positive change in fair value of $276,842 in 2017.

During the year ended December 31, 2017, the other items were $944,192 as compared to other items of $209,007 for the year ended December 31, 2016. The increase of $735,185 is mainly due to the change in fair value of marketable securities of $276,482 (positive change in fair value of $276,482 for 2017 as compared to $Nil in 2016) and the increase in investment income of $458,343.

Other comprehensive loss (OCI)

The OCI in 2018 is due to adoption of IFRS 9 that requires the OCI section presented in the statements of income (loss) and comprehensive loss. During the year ended December 31, 2018, the other comprehensive loss were $1,337,100 as compared to $Nil for the year ended December 31, 2017. The increase of $1,337,100 is due to the decrease in change in fair value of marketable securities (fixed rate investment) of $1,337,000 in 2018 as compared to $Nil change in fair value of marketable securities (fixed rate investment) recorded in other comprehensive loss in 2017.

Selected quarterly financial information

New Millennium anticipates that the quarterly and annual results of operations will primarily be impacted for the near future by several factors, including the timing and efforts of the exploration's expenditures and efforts related to the development of the Company. Due to these fluctuations, the Company believes that the quarter to quarter and the year-to-year comparisons of the operating results may not be a good indication of its future performance.

The following selected quarterly financial information is derived from our unaudited condensed interim financial statements for each of the two most recently completed financial years.

NEW MILLENIUM IRON CORP.
SELECTED QUARTERLY FINANCIAL INFORMATION

				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	$	$	$	$	$	$	$	$
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)								
Expenses								
General and administrative expenses	**300,864**	210,623	317,635	196,057	246,031	277,778	501,483	609,535
Mineral exploration and evaluation	**(2,249,612)**	(58,232)	1,428	(10,536)	1,665	(32,293)	(170,739)	5,637
Impairment (reversal of impairment) of other assets	**(4,299,049)**	(85,196)	-	-	38,502,545	-	-	-
Change in fair value of long-term investment	**(1,783,000)**	148,000	461,000	25,000	-	-	-	-
Write-down of tax credits and mining duties receivable	**4,445,369**	-	-	-	-	-	-	-
Write-down of due from Tata Steel	**3,843,972**	-	-	-	-	-	-	-
Derecognition of mining duties payable	**(1,285,049)**	-	-	-	-	-	-	-
	(1,026,505)	215,195	780,063	210,521	38,750,241	245,485	330,744	615,172
Other items								
Investment income	**241,260**	211,323	202,981	188,423	200,664	183,287	177,522	115,877
Change in fair value of marketable securities	**(116,485)**	(315,437)	153,952	(86,860)	593,442	1,006,000	(496,200)	(826,400)
	124,775	(104,114)	356,933	101,563	794,106	1,189,287	(318,678)	(710,523)
Net income (loss)	**1,151,280**	(319,309)	(423,130)	(108,958)	(37,956,135)	943,802	(649,422)	(1,325,695)
Other comprehensive income (loss)								
Change in fair value of fixed rate investments	**(1,735,900)**	(575,500)	306,600	667,700	-	-	-	-
	(1,735,900)	(575,500)	306,600	667,700	-	-	-	-
Net income (loss) and comprehensive income (loss)	**(584,620)**	(894,809)	(116,530)	558,742	(37,956,135)	943,802	(649,422)	(1,325,695)
Net income (loss) attributable to:								
Shareholders of New millennium Iron Corp.	**1,151,280**	(319,309)	(423,130)	(108,958)	(37,956,135)	943,802	(649,422)	(1,325,695)
Non-controlling interests	**-**	-	-	-	-	-	-	-
Other comprehensive income (loss) attributable to:								
Shareholders of New millennium Iron Corp.	**(1,735,900)**	(575,500)	306,600	667,700	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-
Net income (loss) and comprehensive income (loss) attributable to:								
Shareholders of New millennium Iron Corp.	**(584,620)**	(894,809)	(116,530)	558,742	(37,956,135)	943,802	(649,422)	(1,325,695)
Non-controlling interests	**-**	-	-	-	-	-	-	-
Basic and diluted earnings (loss) per share:	**0.01**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.21)**	**0.01**	**(0.00)**	**(0.01)**

				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	$	$	$	$	$	$	$	$
CONSOLIDATED STATEMENTS OF CASH FLOWS								
Cash flows from (used for) operating activities	**4,030,708**	(69,237)	(269,625)	(339,498)	(904,794)	(105,675)	(445,586)	(1,377,997)
Cash flows from financing activities	**-**	-	-	93,325	623,202	-	-	-
Cash flows from (used for) investing activities	**46,504**	(834,663)	1,002,403	2,350,228	(268,005)	(2,653,839)	2,406,792	1,493,529
Net change in cash	**4,077,212**	(903,900)	732,778	2,104,055	(549,597)	(2,759,514)	1,961,206	115,532

				2018				2017
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	$	$	$	$	$	$	$	$
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION								
Cash	**6,997,065**	2,919,852	3,823,753	3,090,975	986,920	1,536,517	4,296,031	2,334,825
Marketable securities	**9,411,009**	10,833,079	10,673,844	11,009,377	12,590,342	11,538,232	7,695,105	10,244,923
Due from Tata Steel (current assets)	**-**	-	-	-	-	1,770,215	1,770,215	2,002,571
Total current assets	**16,466,673**	13,793,130	14,552,009	14,234,756	13,641,212	14,911,983	14,022,746	14,684,351
Due from Tata Steel (non-current assets)	**-**	1,821,369	1,763,137	1,763,137	1,763,137	-	-	-
Tax credits and mining duties receivable	**428,384**	4,840,454	4,840,454	4,843,790	4,843,790	4,843,790	4,762,744	4,918,346
Other assets	**-**	-	-	-	-	38,502,545	38,502,545	38,502,545
Long-term investment	**9,585,000**	8,416,000	8,564,000	9,025,000	10,148,595	10,148,595	10,148,595	10,148,595
Total non-current assets	**10,356,755**	15,421,194	15,510,962	15,975,298	17,098,893	53,838,302	53,757,255	53,915,594
Mining duties payable	**88,441**	1,373,490	1,373,490	1,373,490	1,373,490	1,373,490	1,373,490	1,373,490
Non-controlling interest	**238,351**	238,351	238,351	238,351	238,351	238,351	238,351	238,351
Equity	**25,819,360**	27,017,981	27,912,791	28,029,319	28,569,172	66,535,307	65,591,505	66,240,927

The net income and comprehensive loss of $584,620 for Q4-2018 is mostly attributable to a write-down of tax credits and mining duties receivable of $4,445,369 and a write-down of due from Tata Steel of $3,843,972 combined with an increase in fair value of long-term investment of $1,783,000, a reversal of impairment of other assets of $4,299,049, a derecognition of mining duties payable of $1,285,049 and a recovery of mineral exploration and evaluation expenses of $2,249,612.

The net loss and comprehensive loss of $37,956,135 for Q4-2017 is attributable to an impairment of other assets of $38,502,545 relating to the advances that had been made to the Port.

The net loss and comprehensive loss of 1,325,695 for Q1-2017 is mostly attributable to significant general and administrative expenses of $609,535 and a markdown in fair value of marketable securities of $ 826,400.

Results of operations for the three-month period ended December 31, 2018

Net loss and comprehensive loss

The basic and diluted loss per share from continuing operations for the three-month period ended December 31, 2018 is $0.01 as compared to $0.21 for the three-month period ended December 31, 2017.

During the three-month period ended December 31, 2018, the Company realized a net income and comprehensive loss of $584,620 as compared to a net loss and comprehensive loss of $37,956,135 for the three-month period ended December 31, 2017.

The decrease of $37,371,515 for the three-month period ended December 31, 2018 in net income and comprehensive loss as compared to 2017 in net loss and comprehensive loss is attributable to the impairment of other assets of $38,502,545 recognized in Q4-2017 comprised of the buy in payment for the new multi-user dock and related costs in view of the low probability of NML shipping prior to having fully applied the previously advanced funds to its take-or-pay obligation.

Operating expenses

During the three-month period ended December 31, 2018, operating expenses recovery were $1,026,505 as compared to operating expenses $38,750,241 for the three-month period ended December 31, 2017.

The decrease of $39,776,746 for the three-month period ended December 31, 2018 in operating expenses as compared to 2017 is mostly attributable to the impairment of other assets of $38,502,545 recognized in Q4-2017 relating to the advances that had been made to the Port. In addition, the decrease comprised in Q4-2018, a write-down of tax credits and mining duties receivable of $4,445,369, a write-down of due from Tata Steel of $3,843,972 combined with a reversal of impairment of other assets of $4,299,049, a derecognition of mining duties payable of $1,285,049, an increase of fair value of $1,783,000 for the long-term investment and a recovery of mineral exploration and evaluation expenses of $2,249,612.

Other items

During the three-month period ended December 31, 2018, the other items were $124,775 as compared to other items of $794,106 for the three-month period ended December 31, 2017. The decrease of $669,331 is mainly due to the change in fair value of marketable securities of $709,927 (negative change in fair value of $116,485 for Q4-2018 as compared to a positive change in fair value of $593,442 in Q4-2017.

Other comprehensive loss

The OCI in 2018 is due to adoption of IFRS 9 that requires the OCI section presented in the statements of income (loss) and comprehensive loss. During the three-month period ended December 31, 2018, the other comprehensive loss were $1,735,900 as compared to $Nil for the three-month period ended December 31, 2017. The increase of $1,735,900 is due to the decrease in change in fair value of marketable securities (fixed rate investment) of $1,735,900 Q4-2018 as compared to $Nil change in fair value in Q4-2017 recorded in other comprehensive loss.

Cash Flows

Cash flows from (used for) operating activities

Cash flows from operating activities were $3,352,348 during the year ended December 31, 2018, an increase of $6,186,400 as compared to cash flows of $2,834,052 used for operating activities during the year ended December 31, 2017. The increase of $6,186,400 is mostly explained by the selling agreement signed with Tacora, which enabled NML to receive $4,384,245 in revenue combined with a decrease of $609,648 in general and administrative expenses ($1,025,179 for 2018 as compared to $1,634,827 for 2017).

Cash flows from financing activities

Cash flows from financing activities were $93,325 during the year ended December 31, 2018, a decrease of $529,877 as compared to cash flows of $623,202 from financing activities during the year ended December 31, 2017. The decrease of $529,877 is attributable to a decrease of $529,877 in financing from long-term trade and other payables.

Cash flows from investing activities

Cash flows from investing activities were $2,564,472 during the year ended December 31, 2018, an increase of $1,585,995 as compared to cash flows of $978,477 from investing activities during year ended December 31, 2017.

The increase of $1,585,995 is mainly due to a favorable variance of $1,456,274 between redemptions and purchases of marketable securities during the year ended December 31, 2018 ($5,519,575 of redemptions versus $4,063,301 of purchases) compared to an unfavorable variance of $368,468 between redemptions and purchases of marketable securities during the year ended December 31, 2017 ($14,006,163 of redemptions versus $14,374,631 of purchases).

Related party transactions

Please refer to Note 19 of the 2018 consolidated financial statements for a summary of the Company's transactions with related parties period end balances.

Commitments and contingencies

Please refer to Note 23 of the 2018 consolidated financial statements for a summary of the Company's commitments and contingencies.

Subsequent events

There are no subsequent events to report.

Off-financial position arrangements

As at December 31, 2018, the Company had no off-financial position arrangements.

Capital management policies and procedures

The Company's capital management objectives are to ensure its ability to continue as a going concern and to maximize the return of its shareholders. The Company's definition of capital includes all components of equity. Capital for the reporting periods under review is summarized in Note 14 and in the consolidated statement of changes in equity. In order to meet its objectives, the Company monitors its capital structure and makes

adjustments as required in light of changes in economic conditions and the risk characteristics of the underlying assets. These objectives will be achieved by identifying the right exploration projects, adding value to these projects and ultimately taking them through production and cash flow, either with partners or by the Company's own means.

In order to maintain or adjust the capital structure, the Company may issue new shares. No changes were made in the objectives, policies and processes for managing capital during the year. The Company is not subject to any externally imposed capital requirements.

Liquidity and capital resources

Working capital as at December 31, 2018 of $16,267,573 represents an increase of $2,800,602 as compared to the working capital of $13,466,971 as at December 31, 2017. This increase in working capital is mainly attributable to receiving $4,384,245 as per the agreement with Tacora combined with a decrease of $3,179,333 in the value of marketable securities held in the balance sheet ($9,411,009 as at December 31, 2018 compared to $12,590,342 as at December 31, 2017).

The Company's working capital has been invested in cash, debentures of a public corporation and equity investments in public corporations. These investments have been classified as current assets. The Company intends to use a portion of its cash and investment income to fulfill assessment work required to maintain claims and pay corporate operating expenses.

Capital expenditures

There were $Nil of acquisitions of property and equipment during the years ended December 31, 2018 and 2107.

Capital resources

At December 31, 2018, NML has paid up capital of $177,584,512 (FYE 2017 - $177,584,512) representing 181,054,146 (FYE 2017 - 181,054,146) common shares, contributed surplus of $22,432,336 (FYE 2017 - $22,432,336) a deficit of $173,382,039 (FYE 2017 - $171,686,027) and accumulated other comprehensive loss of $1,053,800 (FYE 2017 - $Nil) resulting in total equity attributable to shareholders of the Company of $25,581,009 (FYE 2017 - $28,330,821). In addition, there is a non-controlling interest of $238,351 (FYE 2017 - $238,351) resulting in total equity of $25,819,630 (FYE 2017 - $28,569,172).

Controls and Procedures Over Financial Reporting

In compliance with the Canadian Securities Administrators' National Instrument 52-109, the Company has filed certificates signed by the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") that, among other things, report on the design and effectiveness of disclosure controls and procedures, and the design and effectiveness of internal control over financial reporting.

Disclosure Control and Procedures

The CEO and the CFO have designed disclosure controls and procedures, or have caused them to be designed under their supervision, in order to provide reasonable assurance that:

- material information relating to the Company has been made known to them; and
- information required to be disclosed in the Company's filings is recorded, processed, summarized and reported within the time periods specified in securities legislation.

An evaluation was carried out, under the supervision of the CEO and the CFO, of the design and effectiveness of the disclosure controls and procedures. Based on this evaluation, the CEO and the CFO concluded that the disclosure controls and procedures are effective as at December 31, 2018.

Internal Control over Financial Reporting

The CEO and the CFO have also designed internal control over financial reporting, or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for financial reporting purposes in accordance with IFRS.

Management, including the CEO and CFO, does not expect that our internal controls and procedures over financial reporting will prevent all error and all fraud. A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts, by collusion of two or more people, or by management override of the control. The design of any system of controls is partially based upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

An evaluation was carried out, under the supervision of the CEO and the CFO, of the design and operating effectiveness of our internal control over financial reporting. Based on this evaluation, the CEO and the CFO concluded that the internal controls over financial reporting are effective as at December 31, 2018, using the criteria set forth in the 2013 Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission.

Changes to Internal Control over Financial Reporting

No changes were made to our internal control over financial reporting during the quarter ended December 31, 2018, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

DISCLOSURE OF OUTSTANDING SHARE DATA

The following selected financial information is derived from our unaudited financial statements.

NEW MILLENIUM IRON CORP.
Disclosure of outstanding share data (as at March 26, 2019)

Outstanding common shares:	181,054,146		
Outstanding share options:	995,000		
Average exercise price of:	$0.437		
Average remaining life of:	0.16 years		
Expiry date	**Number**	**Exercise price $**	**Remaining life (years)**
May 21, 2019	970,000	0.44	0.15
September 9, 2021	25,000	0.31	0.44
	995,000		
Outstanding warrants:	Nil		

MARKET REVIEW

According to the World Steel Association's ("WSA") statistics released January 25, 2019, world crude steel production in its 64 reporting countries was 1,808.6 million metric tons ("Mt") for the year 2018, which represented an increase of 4.6% over 2017.

The major steel producing regions all showed year-on-year increases with exception of the EU. Asia was up by 5.5%, North America by 4.1% and the C.I.S by 0.3%, whereas the EU contracted slightly by 0.3%. China accounted for just over 50% of global crude steel production, while the year saw India surpass Japan to become the world's number two producer.

After a period of good profitability for the steel industry through much of 2018 despite overhanging global trade issues, price and margin weakness began in November and carried over into early 2019.

Again characterized by volatility during 2018, the iron ore price as measured by the 62% Fe Fines CFR North China averaged US$69 per tonne for the year, versus US$71 per tonne in 2017. There was a narrowing in the fourth quarter of the Platts IODEX differential between the higher quality 65% Fe grade fines and the 62% Fe grade, reflecting some steelmakers shifting to medium or lower quality fines in the face of reduced margins. The price premiums for pellets, both for blast furnace and for the direct reduction ironmaking grades, remained strong due to continuing supply side constraints.

A major event impacting the seaborne iron ore market was the widely reported, tragic tailings dam failure at a Vale mine in the Brazilian state of Minas Gerais on January 25, 2019. It is estimated that Vale's 2019 exports will reduce by approximately 40 Mt and analysts' pricing forecasts have been adjusted upwards as a result, including for pellets, where the market remains affected by the November 2016 dam failure at the Samarco operation in Brazil.

BUSINESS RISKS

In the normal course of operations, the Company is exposed to various financial risks. Please refer to Note 22 of the 2018 consolidated financial statements for an extended description of the Company's financial risk management, objectives and policies.

The Company is engaged in the exploration, evaluation and development of mineral properties. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that commercial quantities of minerals will be successfully found or produced.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to such enterprises, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment. The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been relatively successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

The Company has determined a project construction and operation plan based on best available knowledge and with certain assumptions that will enable it to initiate work and enter into contracts. Events outside the control of the Company, such as funding or permit approvals as examples, may adversely affect these plans and result in delays for construction and for start of operations.

The Company's property interests are located in remote, undeveloped areas and the availability of infrastructure such as surface access, skilled labour, fuel and power at an economic cost, cannot be assured. These are integral requirements for exploration, development and production facilities on mineral properties. Power will need to be generated on site. Due to its location, weather events may cause disruptions or other difficulties in operations.

Certain of the Company's properties are located in the Province of Newfoundland and Labrador and therefore subject to its mining legislation, which may require that primary processing be done within the province in order to obtain mining rights. Furthermore, provincial and federal legislators may enact laws or budgets that have a negative impact on this project or on the mining industry as a whole.

The Company seeks to include First Nations participation in its projects and expects to enter into agreements with these First Nations. Although such agreements are not mandatory, failure to agree may result in disruption to the project execution or operations.

Volatile market conditions for resource commodities, including iron ore, have resulted in a dramatic decrease in market capitalization and the inability of companies to acquire funding for their exploration and development properties. An extended period of poor macro-economic conditions could lead to an inability of the Company to finance future operations.

Inflation has not been a significant factor affecting the cost of goods and services in Canada in recent years; however renewed exploration and development activity may result in a shortage of experienced technical staff, and heavy demand for goods and services needed by the mining community.

The mineral industry is intensely competitive in all its phases. NML competes with many other mineral exploration companies with greater financial resources and technical capacity.

The Company invests in debentures and equity instruments of public companies and consequently the Company's investments are exposed to all the business and market risks of the investees as well as the volatility of interest rates and the liquidity of the specific debentures on the market or at maturity. There is no

certainly that the Company will be able to realize the full value of its investments should funds be required or at maturity.

The price of iron ore and other commodities reflects the aforementioned market volatility. The purchase of securities of the Company involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in securities of the Company should not constitute a major part of an investor's portfolio.

In recent years securities markets have experienced extreme price and volume volatility. The market price of securities of many early stage companies have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on the Toronto Stock Exchange may be affected by such volatility.

In order to develop the DSO Project to commercial production or to finance operations, additional third-party financing may be required and there is no assurance that such financing will be available on reasonable commercial terms, or at all. The Company may receive additional cash calls from TSMC to invest additional amounts of equity or debt in TSMC to fund capital and/or operating costs of TSMC. If the cash calls cannot be met, the 4.32% interest of the Company in TMSC may be diluted further.

The success of the Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

In the normal course of the Company's business, NML may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to the personal injuries, property damage, property tax, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Company and as a result, could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Additional risk factors are contained in the Company's Annual Information Form for the Financial Year ended December 31, 2018, which is dated March 26, 2019 and filed on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION

For further information, please visit www.NMLiron.com, www.tatasteel.com, www.tatasteelcanada.com and the Company's profile on SEDAR.

Mr. H. Dean Journeaux, Eng., is the Qualified Person as defined in National Instrument 43-101 who has reviewed and verified the scientific and technical mining disclosure contained in this MD&A.