GOLDREA RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Six Months ended January 31, 2019 and 2018.

This management's discussion and analysis ("MD&A") was prepared as of April 1, 2019 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and notes thereto for the periods ended January 31, 2019 and 2018 and the Company's audited consolidated financial statements and notes thereto for the for the years ended July 31, 2018 and 2017. These consolidated accounts, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ('IFRS") and in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting.* All dollar amounts referred to in this MD&A are expressed in Canadian dollars except where indicated otherwise.

Cautionary Note Regarding Forward-Looking Information

This document may contain "forward-looking information" within the meaning of Canadian securities legislation ("forward-looking statements"). These forward-looking statements are made as of the date of this document and Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect the Company management's expectations or beliefs regarding future events and include, but are not limited to, estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words 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" or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including "may", "future", "expected", "intends" and "estimates". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual consolidated financial statements and management's discussion and analysis of those statements, all of which are filed and available for review under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. The Company provides no assurance that forward-looking 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.

For more information, visit the Company's website at www.goldrea.com or at www.sedar.com.

1.1 Overall performance

Description of business

Goldrea Resources Corp., ("the "Company") was incorporated under the provisions of the Business Corporations Act (British Columbia) on March 2, 1981, and is an exploration stage company engaged in the acquisition, exploration and development of mineral properties. In addition to the Company's ongoing work program on the properties, it continues to actively evaluate new potential projects. The Company is listed for trading on the Canadian Securities Exchange under the symbol "GOR". The Company is engaged in the business of exploring, acquiring, and if warranted, developing mineral properties and placing such properties into production. The Company currently holds interests in several resource properties as follows:

1. British Columbia – Cannonball
2. Quebec – Gaspe Lithium
3. USA – Lift

Exploration and development requires significant amounts of capital and even if the funds were available, the outcome is dependent on finding sufficient quantities and grades of minerals, permitting the project, successful dealings with various stakeholder groups, constructing the processing and ancillary facilities and starting commercial production. This process takes time, and many factors including commodity prices, political and economic conditions may change affecting the viability of the projects.

Operations, property interests and activities

The Company's interests are in Canada (British Columbia and Quebec) and USA (Nevada). Mineral prospects focus on gold, copper, silver, platinum, palladium, molybdenum, and iron as the major metals of interest.

The Company has suspended a contract with Canadian Mining S.A. (CMSA) to jointly build and operate a gold processing plant in Peru, permitting and construction of an initial plant. Under the terms of the contract, the proposed plant would operate through a Peruvian subsidiary, Goldrea Peru that is wholly owned by Goldrea. Goldrea Peru is still a legal entity and could explore opportunities in the region without CMSA.

Constrained by funding, the Company conducted limited exploration activities on its Canadian properties.

A summary of the status for each property is as follows:

<u>Cannonball property</u>

During the year ended July 31, 2016, the Company entered into an agreement (the "Cannonball Property Agreement") to purchase 1,490 hectares, located approximately 15 kilometers northeast of the former Snip mine in the Iskut River district of northwestern B.C. Under the term of the agreement, the Company purchased a 100% interest in the property, for 2,000,000 shares of the Company and a 2% NSR royalty of which the Company can purchase one percent from the holder at any time for the sum of $1,000,000.

<u>Gaspe Lithium property</u>

During the year ended July 31, 2016, the Company entered into an agreement to acquire the Gaspe Lithium Property (the "Lithium Property Agreement"), located approximately 75 kilometers northwest of the city of Gaspe, Quebec. Under the term of the Lithium Property Agreement, the Company paid a $10,000 non-refundable deposit and agreed to issue 600,000 shares of the Company to the vendors upon final transfer of the claims by the Quebec government.

During the year ended July 31, 2017, the Gaspe Lithium Property's title was transferred to the Company and the Company issued 600,000 shares value at the Company's common share trading price at the date of issuance.

<u>Argos property</u>

During the year ended July 31, 2017, the Company entered into an agreement to acquire the Argos Property, located in Windfall Lake, Quebec (the "Argos Property Agreement"). Under the term of the Argos Property

Agreement, the Company paid a $2,500 for staking costs and issued 700,000 shares of the Company, valued at the Company's common share trading price at the date of issuance, to the vendors. On September 21, 2018, the Company disposed of its Argos property to a public mining company, Durango Resources Inc.("Durango"), for a consideration of 500,000 shares of Durango.

Lift property

During the year ended July 31, 2017, the Company entered into an agreement to purchase a 100% interest in a lithium prospect (the "Lift Property Agreement"), known as the Lift Property, located in the Clayton Valley, Esmeralda County, Nevada. USA. The Lift Property is comprised by sixty lode claims covering approximately 1200 acres of land. The claims are situated adjacent to Noram's lithium property and in proximity to Pure Energy and Cypress' interests in the Clayton Valley. Consideration for the acquisition consists of US$30,000 cash, 500,000 common shares of the Company, and a 3% net smelter return royalty which can be bought back for US$2.5 million. During the year ended July 31, 2017, the Company paid US$15,000 and issued 500,000 shares of the Company valued at the Company's common share trading price at the date of issuance. In connection with the Lift Property Agreement, the Company agreed to pay the remaining US$15,000 on or before October 7, 2017 (US$10,000 paid). As at January 31, 2019, the Lift Property title has not been transferred to the Company.

Impairment of exploration and evaluation assets:

During the year ended July 31, 2017, the Company abandoned Empress Property and let its title lapsed, therefore, the balance of this property is written off. As at July 31, 2018, the Company had no budgeted or planned exploration on Cannonball Property and Lift Property for the next twelve months and, accordingly, the Company wrote down Lift property to $nil and the Cannonball property to $1.

Other items

The Company had signed a binding letter of intent ("LOI") with Tabu Equity Investments. Goldrea and Tabu was to work toward the preparation of a definitive agreement once both parties have completed due diligence and conditions of this LOI. The acquisition was subject to Tabu closing a $1 million private placement by August 20, 2018. Tabu has not met the conditions and the agreement was terminated, but the two companies will keep dialogue open.

On November 7, 2018, the Company incorporated a wholly owned subsidiary, Global Lab Analytics Inc. in California of USA. Global Lab Analytics is early stages building a multi-use testing laboratory in Irvine, California. The primary source of revenue will be testing quality and purities of cannabis in the state of California. It has been shown there is a un-met need for such facilities to address the new regulations on the burgeoning industry. Business plans and financial models have encouraged management there is potential for cash flow of significant value with operations in place. Initial steps necessary to move forward with the lab are complete, with key staffing in place and physical location established. Licensing for operations are in progress. As the project takes shape over the near term, a determining factor will be the ability to fund the endeavor and work toward a positive cash flow for sustainability. Development and operational status is projected to be completed within 2019, given full financing and licensing schedules are satisfied.

During the period ended January 31, 2019, the Company granted 400,000 stock options to consultants to acquire common shares of the Company at an exercise price of $0.07 per share expiring in five years from the date of grant. These stock options vest immediately at the grant date. The fair value of the options granted was estimated to be $0.07 per option, using the Black-Scholes options pricing model.

Subsequent Event

In March 2019, the Company closed the second and final tranche of its non-brokered private placement of 2,916,667 units at a purchase price of $0.06 per Unit for aggregate gross proceeds of $175,000. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each Warrant entitles the holder to purchase one Share at a price of $0.16 during the one year following the Warrant's date of issuance. All securities issued for the Offering will be subject to a four-month hold period. The Offering is subject to acceptance by the regulatory authorities.

1.2 Results of operations

Six Months ended

For the Six Months ended January 31, 2019 the Company recorded a consolidated net loss of $262,799 or $0.01 per share, compared to a consolidated net loss of $209,471 or $0.01 per share for the six months ended January 31, 2018.

Expenses were $286,786 in the period ending January 31, 2019, compared to $212,449 the same period of 2018. Consulting and professional fees were $121,670 and $34,457 in the current period, compared to $48,000 and $12,549 in the same period last year. Shareholder communication was $31,749 in the current period compared to $120 in the same period last year. Transfer agent and filing fees were $5,898 in the current period compared to $6,862 in the prior period. General all cost are up due to getting the testing laboratory in California up and running.

1.3 Summary of quarterly results

	Quarter ended January 31, 2019	Quarter ended October 31, 2018	Quarter ended July 31, 2018	Quarter ended April 30, 2018
Net income (loss)	$ (223,120)	$ (39,679)	$ (286,681)	$ (57,477)
Basic and diluted loss per share	$ (0.01)	$ (0.00)	$ (0.01)	$ (0.00)

	Quarter ended January 31, 2018	Quarter ended October 31, 2017	Quarter ended July 31, 2017	Quarter ended April 30, 2017
Net Income (loss)	$ (183,154)	$ (26,317)	$ (296,299)	$ (60,573)
Basic and diluted loss per share	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.00)

1.4 Liquidity and solvency

The Company had no revenue in the Six Months ended January 31, 2019. The Company has financed its operations and met its capital requirements primarily through the sale of capital stock by way of private placements and increasing of accounts payable. As at January 31, 2019, the Company had cash and cash equivalents of $13,490.

Cash flow from operations for the Six Months ended January 31, 2019 was a net cash outflow of $300,135 compared to $201,046 in the same period last year.

Investing activities included $29,400 spent on mineral exploration and acquisition, compared to $11,265 in the previous year. The current period was offset by the process on disposal of an exploration and evaluation asset for $25,000.

Financing activities consisted of the receipt of $125,000 in share subscriptions received compared to the same period last year where shares issued in a private placements brought in $471,813 offset by the conversion of the share subscriptions of $70,649 to this private placement.

As at January 31, 2019, the Company had unrestricted cash of $13,490. The Company's current assets were $95,398 and total current liabilities were $45,314. The financial statements have been prepared assuming the Company will continue on a going concern basis. The Company has incurred losses since inception. The Company has insufficient cash resources to meet its current obligations and planned expenditures and is in the process of seeking additional financing. As at January 31, 2019, the Company has a working capital of $50,984. The ability of the Company to continue as a going concern depends upon its ability to raise adequate financing to pursue its business objectives and develop profitable operations. There can be no assurance that the Company will be able to continue to raise funds, in which case, the Company may be unable to meet its obligations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. These financial statements 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, contingent obligations and commitments in other than the normal course of business and at amounts different from those in the financial statements.

1.5 Capital resources

As at January 31, 2019, the Company had 3,650,000 outstanding stock options and 7,711,482 outstanding warrants.

1.6 Off-balance sheet arrangements

As of the report date, the Company has no material off-balance sheet arrangements.

1.7 Transactions with related parties

Amounts due to and from officers, directors and companies with common directors are interest free, unsecured and have no specified terms of repayment. They have arisen from the provision of services and expense reimbursements or advances. Related party balances are as follows:

		January 31, 2019		July 31, 2018
Due from directors and officers of the Company	$	**-**	$	-
Due to directors and officers of the Company	$	**8,188**	$	9,188

Amounts due to and from officers, directors and companies with common directors are interest free, unsecured and have no specified terms of repayment. They have arisen from the provision of services and expense reimbursements or advances.

During the period ended January 31, 2019, consulting fees of $46,000 (2018 - $48,000) were recorded to directors and officers of the Company. The Company uses the home space of one officer who is also a director of the Company as the office, the Company incurred $3,360 (2018 - $4,905) in office rent for the period ended January 31, 2019. Key management includes the chief executive officer, chief financial officer and the directors of the Company. The compensation paid or payable to key management for services, excluding the share-based payments during the period ended January 31, 2019 and 2018 is disclosed above. During the period ended July 31, 2018, key management received share-based payments of $nil (2018 - $134,023). Key management personnel were not paid post-employment benefits or other long-term benefits during the period ended January 31, 2019 and 2018.

1.8 Proposed transactions

None

1.9 Recent Accounting Pronouncements

The following is the overview of new accounting standards that the Company will be required to adopt in future years. The following pronouncements are those that the Company considers most significant and are no intended to be a complete list of new pronouncements that effect the financial statements. The Company does not expect to adopt any of these standards before their effective dates. The Company continues to evaluate the impact of these standards on its consolidated financial statements.

1 IFRS 16 Leases was issued in January 2016 by IASB eliminating the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operation leases. Under the new standard, a lease becomes an on-balance sheet liability that attracts interest, together with a new right-of-use assets. In addition, lessees will recognize a front-loaded pattern of expense for most leases, even when cash rentals are constant. IFRS 16 is effective for annual periods beginning on or after January 1, 2019, with early adoption is permitted.

2 IFRIC 23 - Uncertainty over Income Tax Treatments - In June 2017, the IASB issued IFRIC 23 Uncertainty over Income Tax Treatments with a mandatory effective date of January 1, 2019. The interpretations provide guidance on how to value uncertain income tax positions based on the probability of whether the relevant tax authorities will accept the company's tax treatments. A company is to assume that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so. IFRIC 23 is to be applied by recognizing the cumulative effect of initially applying these guidelines in opening retained earnings without adjusting comparative information.

2.11 Risks and uncertainties

The exploration and development of mineral properties are highly speculative activities and are subject to significant risks, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The Company’s ability to realize on its investments in exploration projects is dependent upon a number of factors; including management’s ability to continue to raise the financing necessary to complete the exploration and development of those projects and the existence of economically-recoverable reserves within the projects.

At the present time the Company does not hold any interest in a mining property in commercial production. The Company has incurred net losses since inception, and has limited financial resources and no positive mineral operating cash flow. No assurance can be given that additional funding will be available for further exploration and development of the Company’s projects or to fulfill the Company’s obligations under any applicable agreements. Other uncertainties include currency and metal price fluctuations, permits and licences, environmental regulatory requirement changes, mineralization estimates, and political risks.

Competitive industry

Mining industry is intensely competitive and the company will compete with other companies that have far greater resources.

Fluctuating metal and share prices

Factors beyond the control of the Company may affect the marketability of gold, molybdenum, or any other metals or minerals discovered. Commodity prices fluctuate widely and are affected by numerous factors beyond the Company’s control whose effect cannot accurately be predicted.

In recent periods, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploratory and development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying assets values or prospects of such companies. There can be no assurance that continual and extreme fluctuations in price will not occur.

Permits and licences

The operations of the Company will require licences and permits from various governmental authorities, which have been applied for and/or will be applied for at the proper time. There can, however, be no assurance that the Company will be able to obtain all necessary licences and permits required to carry out exploration, development and mining operations of its projects.

Environmental regulation

The operations of the Company are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions or various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of future operations. The Company may become subject to liability for pollutions or hazards against which it cannot insure or again which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and production activities.

Estimates of mineral resources may not be realized

The mineral resource estimates published from time to time by the Company with respect to its properties are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material. Production can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, inaccurate or incorrect geologic, metallurgical or engineering work, and work interruptions, among other things. Short-term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations or the results of operations. There can be no assurance that minerals recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions or in production scale operations. Material changes in resources, grades, stripping ratios or recovery rates may affect the economic viability of projects. The estimated resources described herein should not be interpreted as assurances of mine life or of the profitability of future operations. The Company has engaged expert independent technical consultants to advise it with respect to mineral resources and project engineering, among other things. The Company believes that those experts are competent and that they have carried out their work in accordance with all internationally recognized industry standards. However, if the work conducted by those experts is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays and increased costs in developing its properties.

Dependence on key personnel

The Company is dependent on the services of its senior management, including James Elbert, its President and Chief Executive Officer, and Larry Reaugh, a director of the Company, and a small number of other skilled and experienced employees and consultants. The loss of any such individuals could have a material adverse effect on the Company's operations.

The following are the risks related to the Company's financial instruments:

a. Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on the cash balances at the bank, GICs held by bank for reclamation and corporate credit card security deposits and amounts receivable. Cash and GICs are with Schedule 1 banks or equivalent, with majority of cash held in Canadian based banking institutions, authorized under the Bank Act to accept deposits, which may be eligible for deposit insurance provided by the Canadian Deposit Insurance Corporation. The maximum exposure to credit risk is equal to the carry value of the financial assets.

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to assist in determining the funds required to support normal operating requirements on an ongoing basis, including capital development and exploration expenditures. As at January 31, 2019, the Company has a cash and cash equivalent balance of $13,490 (July 31, 2018 - $236,025) available to settle current liabilities. Accounts payable and accrued liabilities are due within the current operating period. As at January 31, 2019, the Company had a working capital of $50,084 (July 31, 20178– $184,846). Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. See note 1 for additional discussion on going concern.

c. Market risk

The Company's primary market risk is in the areas of metal prices and foreign exchange risk on financial instruments denominated in other than Canadian dollars. At January 31, 2019, the Company had no hedging agreements in place with respect to metal prices or exchange rates:

(*i*) Commodity price risk:

The Company has not generated any revenue since its inception. The company is not subject to significant price risk.

(ii) Currency risk:

As at January 31, 2019, the Company does not hold the significant foreign currency financial assets and liabilities.

(iii) Equity price risk:

Equity price risk arises from available-for-sale equity securities. The Company's exposure at January 31, 2019 was $nil. The shares are publicly traded, market-prices are readily available, and their carrying value is equal to the market value at January 31, 2019.

(iv) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents contain highly liquid investments that earn interest at market rates and have maturities of 90 days or less. The interest is typical of Canadian banking rates, which are presently low, however this conservative investment strategy mitigates the risk of deterioration to the investment. A change of 100 basis points in the interest rates would not be material to the consolidated financial statements.

1.12 Outstanding share data

As of the report date, the Company has 33,577,105 common shares outstanding. The Company also has 3,650,000 options with an exercise price of $0.05 - $0.22 expiring between February 2, 2021 and January 16, 2024 and 7,711,482 outstanding warrants. On a fully diluted basis, therefore, the Company has 44,038,587 common shares outstanding.

1.12 Approval

The Board of Directors of the Company has approved this Management Discussion and Analysis on April 1, 2019. Additional information is available on the Company's website, www.goldrea.com, or on the SEDAR website, www.sedar.com.