



**FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED MARCH 31, 2015**

Introduction

This management's discussion and analysis (MD&A) of Secova Metals Corp. is the responsibility of management and covers the period ended March 31, 2015. The MD&A takes into account information available up to and including May 27, 2015 and should be read together with the condensed consolidated interim financial statements and accompanying notes for the period ended March 31, 2015 and the consolidated audited financial statements and accompanying notes for the year ended June 30, 2014 which are available on the SEDAR website at www.sedar.com.

Throughout this document the terms *we*, *us*, *our*, *the Company* and *Secova* refer to Secova Metals Corp. All financial information in this document is prepared in accordance with International Financial Reporting Standards ("IFRS") and presented in Canadian dollars unless otherwise indicated.

Additional information related to the Company is available for view on SEDAR at www.sedar.com.

Forward-Looking Statements

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Forward-looking information includes disclosure regarding possible or anticipated events, conditions or results of operations which are based on assumptions about future economic conditions and courses of action, and includes future oriented financial information with respect to prospective results of operations or financial position or cash flow that is presented either as a forecast or a projection. Forward-looking information is often, but not always, identified by the use of words such as seek, anticipate, believe, plan, estimate, expect and intend; statements that an event or result is due on or may, will, should, could, or might occur or be achieved; and other similar expressions.

Reserves and Resources

National Instrument 43-101 ("43-101") of the Canadian Securities Administrators – Standards of Disclosure for Mineral Projects – requires that each category of mineral reserves and mineral resources be reported separately. Readers should refer to Secova's continuous disclosure documents available at www.sedar.com for this detailed information, which is subject to the qualifications and notes therein set forth.

Description of Business

The Company is a natural resource company engaged in the acquisition and exploration of resource properties. The Company currently has two option agreements, the first on the Jessie Lake Property, Ontario and the second on the Duvay Property, Quebec, both of which were executed during the current period.

The Company trades on the TSX Venture exchange under the Symbol SEK.

Performance Summary and Subsequent Events

- On November 18, 2014, the Company entered into an option agreement to acquire a 100% interest in the Jessie Lake gold exploration project in Northern Ontario for total cash payments of \$190,000, the issuance of 1,850,000 common shares of the Company, and incurring \$450,000 in exploration expenditures over a three year period. The optionor retains a 4% NSR royalty. The Company may purchase 50% of the NSR (or 2% NSR) for consideration of \$2,000,000, and a further 25% of the NSR (or 1% NSR) for consideration of \$1,000,000, for a period of 2 years after the commencement of commercial production. The agreement received regulatory approval on April 21, 2015.
- On November 18, 2014, the Company announced a non-brokered private placement of up to 6,000,000 units at \$0.05 per unit, for total gross proceeds of \$300,000 (subsequently amended to 10,000,000 units at \$0.05 per unit for total gross proceeds of \$500,000), each unit consisting of one common share and one half-warrant, each full warrant being exercisable into one common share at a price of \$0.10 per share for a period of 12 months. The Company will pay cash finder's fees and issue broker warrants of 8% of the gross proceeds and units issued, respectively, each broker warrant exercisable into one common share at a price of \$0.05 per share for a period of one year.
- On November 18, 2014, the Company announced the resignation of Michael Moore as chief operating officer.
- On January 6, 2015, the Company entered into an option agreement with Tres-Or Resources Ltd. ("Tres-Or") to acquire a 90% interest in the Duvay gold exploration project in Quebec. Pursuant to the agreement, the Company can earn a 65% interest for total cash payments of \$500,000 (\$15,000 paid) and incurring \$3,750,000 in exploration expenditures over a four year period. A further 25% interest can be earned by financing a prefeasibility study and making funding an aggregate of \$12,000,000 to bring the property toward production. In addition, the Company is required to pay Tres-Or a resource payment based on the initial National Instrument 43-101-compliant resource estimate on the claims at \$30 for each gold ounce equivalent categorized as measured, \$25 for each gold ounce equivalent characterized as indicated, and \$15 for each gold ounce equivalent categorized as inferred to be paid from the proceeds of commercial production after deducting operating costs and other senior payments. The agreement remains subject to regulatory approval.
- On January 16, 2015, the Company granted an aggregate of 960,000 stock options to officers and directors, exercisable at a price of \$0.05 per share until January 16, 2016.
- On February 9, 2015, the Company closed the first tranche of a non-brokered private placement, issuing 5,020,000 units at a price of \$0.05 per unit for total gross proceeds of \$251,000, each unit consisting of one common share and one half-warrant. Each whole warrant is exercisable at \$0.10 per share for a period of one year. In connection with the private placement, the Company paid a finder's fee of \$8,520 and 170,400 agent warrants exercisable at \$0.05 per share for one year. Proceeds will be used for exploration and development of the company's Jessie Lake gold exploration project in Ontario and its Duvay advanced gold project in Quebec, and for general corporate purposes.
- During the period, the Company also entered into an option agreement on a group of claims known as the Molybdenite Creek property located in the Lillooet Mining Division of British Columbia. The Company subsequently terminated the Molybdenite Creek agreement.
- On April 23, 2015, the Company appointed P. Bradley Kitchen as chief executive officer and chairman of the Board of Directors.

There were no other significant events during the period ended March 31, 2015 or to the date of this report.

Exploration Summary

During the period the Company entered into three option agreements to acquire the Molybdenite Creek, Jessie Lake, and Duvay properties, and subsequently terminated the Molybdenite Creek agreement as noted above. The Company has not commenced exploration activities on the Jessie Lake or Duvay properties.

Results of Operations

The Company incurred a comprehensive loss of \$453,699 for the period ended March 31, 2015 (2014 - \$226,686). The increase in comprehensive loss is due primarily to the unrealized loss on the GRIT marketable securities of \$76,102 (2014 - \$29,682), share-based payments of \$65,207 (2014 - \$nil), and consulting fees of \$203,000 (2014 - \$107,846). The increase in the unrealized loss on the GRIT marketable securities is due to a drop in the trading price of the GRIT shares. The increase in share-based compensation is due to the valuation of the options granted during the period compared to the prior period. The increase in consulting fees and general increase in expenditures over the period is due to a general increase in activities. As discussed in the performance summary the Company entered into 3 property option agreements, appointed a new CEO and Director, and completed a financing.

Summary of Quarterly Results

| | March 31, 2015 | December 31, 2014 | September 30, 2014 | June 30, 2014 |
|------------------------------|-------------------|----------------------|-----------------------|------------------|
| Total assets | \$ 179,901 | \$ 208,781 | \$ 280,499 | \$ 347,963 |
| Working capital (deficiency) | (78,140) | (75,584) | (35,843) | (94,248) |
| Shareholder's equity | 37,236 | 39,942 | 65,833 | 148,503 |
| Interest revenue | - | - | - | - |
| Comprehensive loss | 265,989 | 97,641 | 81,920 | 98,478 |
| Loss per share | 0.01 | 0.00 | 0.00 | 0.00 |

| | March 31, 2014 | December 31, 2013 | September 30, 2013 | June 30, 2013 |
|------------------------------|-------------------|----------------------|-----------------------|------------------|
| Total assets | \$ 391,746 | \$ 302,539 | \$ 316,610 | \$ 373,691 |
| Working capital (deficiency) | 14,604 | (36,914) | (16,073) | 20,055 |
| Shareholder's equity | 259,494 | 210,562 | 280,516 | 288,680 |
| Interest revenue | - | - | - | 1,870 |
| Comprehensive loss | 113,581 | 69,954 | 55,664 | 196,270 |
| Loss per share | 0.01 | 0.00 | 0.01 | 0.04 |

Other than the mineral property option agreements and the private placement noted above, there were no significant transactions during the quarter ended March 31, 2015.

Liquidity and Capital Resources

Secova's exploration and evaluation asset activities do not provide a source of income and the Company therefore has a history of losses and an accumulated deficit. However, given the nature of our business, the results of operations as reflected in the net losses and losses per share do not provide meaningful interpretation of our valuation.

The Company has financed its operations to date primarily through the issuance of common shares. The Company will continue to seek capital through the issuance of common shares.

Operating activities: The Company does not generate any revenues and generally does not receive any cash from operating activities. Net cash used in operating activities during the period ended March 31, 2015 increased to \$375,635 compared to \$147,729 during the comparative period ended March 31, 2014.

Investing activities: Net cash provided by investing activities during the period ended March 31, 2015 increased to \$127,375, compared to \$3,625 during the comparative period ended March 31, 2014. During the period ended March 31, 2015 the Company received advance repayments of \$149,375, less payments of \$22,000 relating to the acquisition of mineral properties.

Financing activities: During the period ended March 31, 2015, the Company completed a non-brokered private placement, issuing 5,020,000 units at a price of \$0.05 for gross proceeds of \$251,000. The Company also received subscriptions receivable of \$36,750, and incurred share issuance costs of \$10,525. During the period ended March 31, 2014, the Company completed a non-brokered private placement for 950,000 units at a price of \$0.05 per unit for gross proceeds of \$47,500.

The condensed consolidated interim financial statements do not reflect adjustments, which could be material, to the carrying value of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

Contractual Obligations

Except as described herein or in the Company's condensed consolidated interim financial statements as at March 31, 2015, the Company had no material financial commitments.

Off Statement of Financial Position Arrangements

At March 31, 2015, the Company had no material off statement of financial position arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Capital Resources

The Company will continue to seek capital through public markets by issuing common shares pursuant to private placements. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital and is not subject to externally imposed capital requirements.

Outstanding Share Data

As at the date of the report the Company had 20,815,456 common shares issued and outstanding.

The following incentive stock options were outstanding at the date of this report:

| Number of Shares | Exercise Price | Expiry Date |
|------------------|----------------|------------------|
| 960,000 | \$ 0.05 | January 16, 2016 |
| <u>35,000</u> | \$ 1.00 | June 7, 2016 |
| 995,000 | | |

The following share purchase warrants were outstanding at the date of this report:

| Number of Shares | Exercise Price | Expiry Date |
|------------------|----------------|------------------|
| 950,000 | \$ 0.10 | July 24, 2015 |
| 2,510,000 | \$ 0.10 | February 9, 2016 |
| 170,400 | \$ 0.05 | February 9, 2016 |
| <u>3,630,400</u> | | |

Related Party Transactions

Key management personnel comprise of the Chief Executive Officer, Chief Financial Officer, Corporate Secretary and the Directors of the Company. The remuneration of the key management personnel for the period ended March 31, 2015 is as follows:

- a) Professional fees of \$18,109 (2014 - \$27,496) to Red Fern Consulting Ltd., a company controlled by Jonathan Richards, an officer of the Company; and \$13,500 (2014 - \$15,500) to J&LB Incorporated, a company controlled by Justin Blanchet, an officer of the Company.
- b) Consulting fees of \$Nil (2014 - \$22,500) to Carson Seabolt, a former officer and a director of the Company.
- c) Consulting fees of \$Nil (2014 - \$22,050) to Scharfe Holdings Ltd., a company controlled by Brad Scharfe, a former officer of the Company.
- d) Consulting fees of \$28,000 (2014 - \$Nil) to 0868143 BC Ltd., a company controlled by Yana Bobrovskaya, director of the Company.
- e) Consulting fees of \$12,500 (2014 - \$2,000) to Michael Mulberry, an officer of the Company.
- f) Consulting fees of \$10,000 (2014 - \$Nil) to Michael Moore, a former officer of the Company.
- g) Recorded share-based compensation of \$45,693 (2014 - \$Nil) for stock options granted and vested to directors and officers of the Company.

The Company operates from the premises of a group of public and private companies with common directors. Skanderbeg Capital Partners Inc. ("Skanderbeg"), a private company controlled by a former director and former officer of the Company provides office and administrative services to the Company and various other public companies. The Company holds a Grid Promissory Note (the "Note") from Skanderbeg with total advances not exceeding \$450,000. The Note is open for repayment in full or in part by the private company at any time on or before July 3, 2015. As at March 31, 2015, the balance of the Note included in advances to related party is \$93,376 (June 30, 2014 - \$242,751). During the period ended March 31, 2015, the Company paid or accrued \$7,500 (2014 - \$nil) for office and sundry to Skanderbeg.

As at March 31, 2015, included in accounts payable is \$40,800 (June 30, 2014 - \$123,388) due to related parties.

Proposed Transactions

The Company has no planned or proposed transactions as of the date of this report.

Financial Risk Factors

The Company is exposed to varying degrees to a variety of financial instrument related risks:

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's credit risk is primarily attributable to cash, receivables and advances. The Company's cash is held at large Canadian financial institution in interest bearing accounts for which management believes the risk of loss to be minimal. Receivables consist of GST receivable from the government of Canada. Advances mainly consist of funds owed from Skanderbeg, the private company controlled by a former director and former officer of the Company which provides office and administrative services to the Company. During the period the company received \$149,375 from Skanderbeg.

Liquidity risk

As at March 31, 2015, the Company had a cash balance of \$32,496 (June 30, 2014 - \$3,531) to settle current liabilities of \$142,665 (June 30, 2014 - \$85,011). On February 9, 2015, the Company completed the first tranche of a non-brokered private placement, raising gross proceeds of \$251,000. While the Company has been successful in obtaining its required funding in the past there is no assurance that this financing will be extended or that any additional future financing will be available. The Company continues to investigate financing options, including private placements and recovering the advance.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

a) 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.

b) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

c) Foreign currency risk

The Company's foreign exchange risk arises from transactions denominated in other currencies, primarily through the Company's subsidiary located in the USA. Through this, the Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in US Dollars. The Company does not use derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations.

Risk Factors

Companies in the exploration stage face a variety of risks and, while unable to eliminate all of them, the Company aims at managing and reducing such risks as much as possible. The Company faces a variety of risk factors such as project feasibility and practically, risks related to determining the validity of mineral property title claims, commodities prices and environmental laws and regulations. Management monitors its activities and those factors that could impact them in order to manage risk and make timely decisions.

New standards, interpretations and amendments adopted

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Company's annual condensed consolidated interim financial statements for the year ended June 30, 2014, except for the adoption of new standards and interpretations effective as of July 1, 2014.

The nature and the impact of each new standard are described below:

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)

The amendment to IFRS 10, Consolidated Financial Statements, provide an exemption from consolidation of subsidiaries under IFRS 10 for entities which meet the definition of an investment entity. Instead, such entities would measure their investment in particular subsidiaries at fair value through profit or loss in accordance with IFRS 9, Financial Instruments, or IAS 39, Financial Instruments: Recognition and Measurement. The amendments to IFRS 12, Disclosure of Interest in Other Entities, and IAS 27, Separate Financial Statements, introduce disclosures required for investment entities. The adoption of these amendments did not impact the Company's condensed consolidated interim financial statements.

Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)

The amendment to IAS 32, Financial Instruments: Presentation, requires that a financial asset and financial liability should only be offset and the net amount reported when an entity has a legal enforceable right to set off the amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The adoption of this amendment did not impact the Company's condensed consolidated interim financial statements.

Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36)

Under the amended IAS 36, Impairment, the recoverable amount of a CGU is required to be disclosed only when an impairment loss has been recognized or reversed. The adoption of this amendment did not impact the Company's condensed consolidated interim financial statements.

IFRIC 21, Levies

IFRIC 21 clarifies that obligating events giving rise to a liability to pay a levy is the activity described in the relevant legislation that triggers payments of the levy. The adoption of this standard did not impact the Company's condensed consolidated interim financial statements.

New standards not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective during the period ended March 31, 2015:

- IFRS 9 New financial instruments standard that replaces IAS 39 for classification and measurement of financial assets⁽ⁱ⁾

(i) Effective for annual periods beginning on or after January 1, 2018

The Company anticipates that the application of these standards, amendments and interpretations will not have a material impact on the results and financial position of the Company.

Critical Accounting Policies and Estimates

The Company's accounting policies are described in Notes 2 and 3 of its condensed consolidated interim financial statements for the period ended March 31, 2015. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of our condensed consolidated interim financial statements and the uncertainties that could impact its results of operations, financial condition and cash flows:

Use of estimates and significant judgments

The preparation of these condensed consolidated interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to:

The determination of deferred income tax assets and liabilities is inherently complex and requires making certain estimates and assumptions about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments is subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The most significant judgments relate to the recoverability of the advance, the functional currency of the Company and its subsidiaries, recognition of deferred tax assets and liabilities and the determination of the economic viability of a project.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

If and when the stock options are exercised, the applicable amounts of contributed surplus are transferred to share capital. When vested options are forfeited or not exercised at the expiry date the amount previously recognized in share-based payments is revised from share-based payment reserve to deficit. Amounts recorded for forfeited or expired unexercised warrants are transferred to share capital.

Additional Information

For further information about the Company, please visit the website of the SEDAR at www.sedar.com.