SECOVA METALS

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017

Introduction

This management's discussion and analysis (MD&A) of Secova Metals Corp. is the responsibility of management and covers the year ended June 30, 2017. The MD&A takes into account information available up to and including October 30, 2017 and should be read together with the consolidated audited financial statements and accompanying notes for the year ended June 30, 2017 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 has the exclusive right and option to acquire from Tres-OR Resources Inc. ("Tres-Or"), an undivided 65% right, title and interest in the contiguous Duvay and Chenier Gold Projects. Secova can earn up to 90% of the property (an additional 25% ownership) by funding a prefeasibility study after the initial exploration expenditures to bring the property towards production. The Company has a total contiguous land package of 174 claims covering over 7,766 hectares (17,458 acres) of land. The Duvay/Chenier project is in the Abitibi gold belt, one of Quebec's premier mining jurisdictions. The Company has plans to advance the development of Duvay/Chenier, Eagle River and Cobalt Bay projects as well as seek other avenues of growth through acquisition and mergers.

The Company trades on the TSX Venture Exchange ("TSX-V") under the Symbol SEK.

Performance Summary and Subsequent Events

During the year ended June 30, 2017, the Company:

i. Issued 1,000,000 common shares valued at to Globex Mining Enterprises Inc. ("Globex") to complete the option agreement with Globex through which the Company acquired 69 property claims making up the Chenier Property, which is adjacent to the Company's Duvay property.

ii. Completed a non-brokered private placement and issued 4,178,818 flow-through shares at a price of $0.055 per flow-through share and 1,800,000 Non Flow-Through Units ("NFT Units") at a price of $0.05 per NFT unit for gross proceeds of $319,835. The NFT units consist of one common share and one half of one share purchase warrant. The warrant is exercisable at $0.10 for a period of one year. In connection with the financing, the Company paid total finder's fees of $17,467, paid other issuance costs of $5,365, issued 310,305 agent warrants exercisable into one common share at $0.055 per share for a period of one year, and issued 8,000 agent warrants, exercisable into one common share at $0.05 per share for a period of one year. The 310,305 agent warrants were assigned a value of $8,944 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 129.97% and dividend rate of 0%. The 8,000 agent warrants were assigned a value of $225 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 129.97% and dividend rate of 0%. The Company recorded a flow-through premium liability of $20,894 of which $Nil remained unamortized as at June 30, 2017.

iii. Completed a non-brokered private placement and issued 7,515,000 flow-through shares at a price of $0.05 per flow-through share for gross proceeds of $375,750 and 3,216,000 NFT Units at a price of $0.05 per common share for gross proceeds of $160,800. The NFT Units consist of one common share and one share purchase warrant exercisable at $0.05 for one year. In connection with the financing, the Company paid total finder's fees of $4,000, issued 99,384 finders warrants exercisable into one common share at $0.05 per share for a period of one year. The 99,384 finders warrants were assigned a value of $1,484 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 114.66% and dividend rate of 0%. The company recorded a flow-through premium liability of $Nil.

iv. Closed a non-brokered private placement and issued 2,380,000 flow-through shares at a price of $0.055 per flow-through share and 400,000 NFT units at a price of $0.05 per NFT unit for gross proceeds of $150,900. The NFT units consist of one common share and one half of one share purchase warrant. The warrant is exercisable at $0.05 for a period of one year. In connection with the financing, the Company paid total finder's fees of $12,072, issued 190,400 finders warrants exercisable into one common share at $0.055 per share for a period of one year, and issued 32,000 agent warrants, exercisable into one common share at $0.05 per share for a period of one year. The 190,400 finders warrants were assigned a value of $3,225 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 113.81% and dividend rate of 0%. The 32,000 agent warrants were assigned a value of $581 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 113.81% and dividend rate of 0%. The Company recorded a flow-through premium liability of $11,900, of which $Nil remains unamortized as at June 30, 2017.

v. The Company issued 5,000,000 common shares valued at $200,000 to acquire 100% of 1084409 B.C. Ltd.. The Company also issued 500,000 common shares (equivalent of $20,000) as finder's fee.

vi. Issued 3,340,000 common shares at a value of $0.05 per share to settle $167,000 of debt owing.

vii. The Company issued 5,000,000 common shares valued at $300,000 to acquire 100% of 1106632 B.C. Ltd.

viii. The Company issued 6,000,000 common shares valued at $570,000 and paid $52,500 to acquire 1095252 B.C. Ltd.

ix. The Company issued 9,000,000 common shares valued at $720,000 to acquire 1107136 B.C. Ltd.

x. The Company issued 10,000,000 common shares valued at $450,000 to acquire 1106541 B.C. Ltd.

xi. Completed a non-brokered private placement and issued 51,343,900 NFT units at a price of $0.05 per NFT unit for gross proceeds of $2,567,195 of which $119,000 is included in subscriptions receivable at June 30, 2017. The NFT Units consist of one common share and one share purchase warrant, each share purchase warrant is exercisable at $0.08 for two years. In connection with the financing, the Company paid total finder's fees of $42,920, issued 3,497,900 finders warrants exercisable into one common share at $0.05 per share for a period of one year. The 3,497,900 finder's warrants were assigned a value of $187,347 using the Black-Scholes pricing model with a risk-free interest rate of 0.84%, term of 1 year, volatility of 113.16% and dividend rate of 0%. Subsequent to the year end, the Company issued 2,090,000 finder's units, comprised of one common share and one share purchase warrant exercisable at $0.05 for one year. At June 30, 2017, the Company recognized commitment to issue finder's units of $104,500 ($0.05 per finder's unit) in relation to this obligation.

Subsequent to June 30, 2017, the Company:

Closed a non-brokered private placement financing through the issuance of 16,292,981 flow-through units (the "FT Units") issued at a price of $0.055 and 1,400,000 non-flow-through units (the "NFT Units) issued at a price of $0.05 for gross proceeds of $966,113. Each F-T and N-F-T Unit consists of one common share and one-half, each full warrant will entitle the holder to purchase one additional common share of the Company at a price of $0.10 per share for a period of 12 months from closing. The Company paid finders' fees of $77,289.12 in cash, issued 707,719 in common shares and 707,719 finder's warrants ("Finders Warrants") to EMD Financial Inc. Each Finder's Warrants entitles the holder to acquire one additional share at an exercise price of $0.055 for a period of twelve months.

Issued 500,000 common shares for 500,000 options exercised with the price of $0.05 for gross proceeds of $25,000.

There were no other significant events during the period ended June 30, 2017 or to the date of this report.

Exploration Summary

Jessie Lake, Ontario
During the year ended June 30, 2016, the Company decided not to continue with the Jessie Lake property and wrote-off the balance of $83,779 to the statement of loss and comprehensive loss.

Duvay and Chenier properties, Quebec

During the year ended June 30, 2017, the Company completed its option agreement to acquire the Chenier property. Subsequent to year end, the Company transferred title of the Chenier property to Tres-Or to maintain its Duvay option agreement. The Company can now meet its expenditure obligations over the entire property (Duvay and Chenier) as it earns in on the properties through the Duvay option agreement with Tres-Or. As part of the Duvay agreement, the Company paid $150,000 during the year and deemed its other $150,000 payment requirement met based on amended requirements completed by the Company during the year. The Company met its second expenditure requirement of $750,000 (by September 30, 2017) subsequent to year end. To earn the initial 65% under this option agreement and earn the Company is required to complete an additional $2,500,000 by December 30, 2018. A further 25% interest can be earned by financing a prefeasibility study and by funding an aggregate of $12,000,000 to bring the property toward production.

Eagle River property, Quebec

During the year ended June 30, 2017, the Company acquired 1084409 B.C. Ltd. which owns the Eagle River project that consists of 77 claims or 4,354 contiguous hectares in the Windfall Lake gold district, Quebec. The acquisition is an arms–length transaction in which the Company issued 5,000,000 common shares (valued at $200,000) by way of a share exchange agreement. The Company also issued 500,000 common shares (valued at $20,000) as finder's fee.

During the year ended June 30, 2017, the Company acquired 1106632 B.C. Ltd. which owns the Windfall Lake project that consists certain claims in the Windfall Lake gold district, Quebec. The acquisition is an arms–length transaction in which the Company issued 5,000,000 common shares (valued at $300,000) by way of a share exchange agreement.

During the year ended June 30, 2017, the Company acquired 1107136 B.C. Ltd. which owns the Windfall Lake project that consists 299 claims, or 16,500.55 hectares. The acquisition is an arms–length transaction in which the Company issued 9,000,000 common shares (valued at $720,000) by way of a share exchange agreement.

During the year ended June 30, 2017, the Company acquired 1106541 B.C. Ltd. which owns the Osisterra Project ("Osisterra") that consists of 30 claims or 1,694 contiguous hectares. The acquisition is an arms–length transaction in which the Company issued 10,000,000 common shares (valued at $450,000) by way of a share exchange agreement.

Cobalt Bay, Quebec

During the year ended June 30, 2017, the Company acquired 1095252 B.C. Ltd. which owns the Cobalt Bay project that consists of certain claims Windfall Lake gold district, Quebec. The acquisition is an arms–length transaction in which the Company issued 6,000,000 common shares (valued at $570,000) by way of a share exchange agreement.

Selected Annual Information

The financial information as at and for the years ended June 30, 2017, June 30, 2016 and June 30, 2015 have been prepared in accordance with IFRS.

	June 30, 2017	June 30, 2016	June 30, 2015
Total income	$ -	$ -	$ -
Comprehensive loss for the year	1,536,806	1,056,862	552,703
Basic and diluted loss per share	0.02	0.03	0.03
Total assets	5,080,674	903,787	135,337
Working capital (deficiency)	726,166	(615,832)	(139,764)

Results of Operations

The Company incurred a comprehensive loss of $1,536,806 for the year ended June 30, 2017 (2016 - $1,056,862). The increase in comprehensive loss is primarily due to share-based payments of $60,013 (2016 - $150,978) and consulting fees of $990,995 (2016 - $573,410). The comprehensive loss was offset by $59,486 in amortization of the flow-through premium liability. The increase in consulting fees over the period is due to a general increase in activities following the acquisition of the Duvay option agreement.

Summary of Quarterly Results

	June 30, 2017	March 31, 2017	December 31, 2016	September 30, 2016
Total assets	$ 5,080,674	$ 4,327,462	$ 1,259,781	$ 981,090
Working capital (deficiency)	726,166	-	571,784	451,041
Shareholder's equity (deficiency)	4,734,271	3,733,547	669,183	488,453
Interest revenue	-	-	-	-
Comprehensive loss	469,695	692,578	144,468	230,065
Loss per share	0.01	0.00	0.00	0.01

	June 30, 2016	March 31, 2016	December 31, 2015	September 30, 2015
Total assets	$ 903,787	$ 673,684	$ 666,523	$ 435,169
Working capital (deficiency)	615,832	15,560	266,665	115,656
Shareholder's equity (deficiency)	209,694	388,115	396,154	300,483
Interest revenue	-	-	-	-
Comprehensive loss	494,214	272,155	140,450	150,043
Loss per share	0.01	0.01	0.00	0.01

Other than the mineral property option agreements and the private placement noted above, there were no significant transactions during the year ended June 30, 2017.

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 year ended June 30, 2017 increased to $1,755,149 compared to $762,873 during the comparative year ended June 30, 2016.

Investing activities: Net cash used by investing activities during the year ended June 30, 2017 increased to $981,210, primarily for mineral property expenditures.

Financing activities: During the year ended June 30, 2017, the Company completed non-brokered private placements for gross proceeds of $3,593,988 for 56,759,900, NFT units and 14,073,818 flow-through shares. As at June 30, 2017, the Company recognized $Nil (2016 - $43,500) subscriptions received in advance and $134,000 subscriptions receivable at year end (2016 - $60,000).

The consolidated 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 consolidated financial statements as at June 30, 2017, the Company had no material financial commitments.

Off Statement of Financial Position Arrangements

At June 30, 2017, 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 182,075,579 common shares issued and outstanding.

The following incentive stock options were exercisable at June 30, 2017:

Number of Shares	Exercise Price	Expiry Date
450,000	$ 0.05	August 19, 2020
1,640,000	0.05	September 13, 2017[1]
2,090,000		

[1] Expired subsequent to June 30, 2017

The following share purchase warrants were outstanding at June 30, 2017:

Number of Shares	Exercise Price	Expiry Date
900,000	$ 0.10	August 1, 2017[1]
310,305	0.055	August 1, 2017[1]
8,000	0.05	August 1, 2017[1]
5,895	0.055	October 21, 2017[1]
32,000	0.05	October 21, 2017[1]
200,000	0.10	October 21, 2017[1]
3,216,000	0.08	December 16, 2018
99,384	0.05	December 16, 2017
51,343,900	0.08	February 21, 2019
3,497,900	0.05	February 21, 2018
59,613,384		

[1] Expired subsequent to June 30, 2017

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 year ended June 30, 2017 is as follows:

a) Consulting fees of $382,756 (2016 - $176,320) to a company controlled by the CEO of the Company.

b) Consulting fees of $309,131 (2016 - $144,220) to a company controlled by a director of the Company.

c) Consulting fees of $92,685 (2016 - $Nil) to a company controlled by the VP Finance of the Company.

d) Geological consulting fees of $60,000 (2016 - $91,400) to a company controlled by a director of the Company.

e) Professional fees of $30,000 (2016 - $31,000) to two companies controlled by two former officers of the Company.

f) Consulting fees of $58,000 (2016 - $53,000) to a director and former CEO of the Company.

g) Recorded share-based payments of $60,013 (2016 - $81,739) for stock options granted and vested to directors and officers of the Company.

As at June 30, 2016, the Company had $186,500 owing as short-term loans payable owing to former directors. During the year ended June 30, 2017, the Company received an additional $63,000, repaid $193,500 and recognized interest of $8,000 owing to these former directors. During the year ended June 30, 2017, the Company settled short term loans and interest of $63,000, accounts payable of $37,000 and other amounts of $7,000 for issuance of 2,140,000 common shares. Additional accounts payable owing of $60,000 to officers of the Company were also settled for issuance of 1,200,000 common shares.

At June 30, 2017, the Company recognized accounts payable of $114,951 (2016 - $98,920) owing to key management personnel.

The Company operates from the premises of a group of public and private companies with common former directors. One 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. During the year ended June 30, 2017, the Company accrued $4,000 (2016 - $12,075) for office and sundry to the private company. At June 30, 2017, the Company has a balance of $4,200 (2016 - $23,050) owing to the private company. At June 30, 2016, the Company was due a receivable from the private company totalling $30,000. During the year ended June 30, 2017, the Company wrote off this receivable as the amount was considered uncollectible.

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.

Liquidity risk

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

As at June 30, 2017, the Company had a cash balance of $812,770 (2016 - $11,465) to settle current liabilities of $346,403 (2016 - $694,093). 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 such as private placements.

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 not yet adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective for the year ended June 30, 2017:

IFRS 9 Financial Instruments

IFRS 9, Financial Instruments is part of the IASB's wider project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual years beginning on or after January 1, 2018. The Company is currently evaluating the impact of adopting these amendments on its financial statements

IFRS 16, Leases

IFRS 16 is a new standard that sets out the principles for recognition, measurement, presentation, and disclosure of leases including guidance for both parties to a contract, the lessee and the lessor. The new standard eliminates the classification of leases as either operating or finance leases as is required by IAS 17 and instead introduces a single lessee accounting model. The standard is effective for annual years beginning on or after January 1, 2019. The Company is currently evaluating the impact of adopting this standard on its financial statements.

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 consolidated financial statements for the year ended June 30, 2017. Management considers the following policies to be the most critical in understanding the judgments that are involved in the preparation of our consolidated 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 consolidated 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.

Additional Information

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