PELOTON MINERALS CORPORATION
Management's Discussion and Analysis
Period Ended March 31, 2019
Dated May 30, 2019
(Form 51-102F1)

This Management Discussion and Analysis ("MD&A") of *Peloton Minerals Corporation (the "Company") is provided for the purpose of reviewing the first quarter ended March 31, 2019 and comparing results to the previous period. The MD&A was prepared as of May 30, 2019 and should be read in conjunction with the Company's condensed interim consolidated financial statements and corresponding notes for the periods ending March 31, 2019 and 2018. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards appropriate in the circumstances. All monetary amounts are expressed in United States dollars unless otherwise indicated.*

Additional information related to the Company is available for view on SEDAR at www.sedar.com and at the Company's website located at www.pelotonminerals.com.

DESCRIPTION OF THE BUSINESS

The Company is a mineral exploration company focused on the acquisition and exploration of mineral resource properties, primarily in the states of Nevada and Montana, or Canada.

The Company is a reporting issuer in the Provinces of British Columbia and Ontario and its common shares trade on the Canadian Securities Exchange ("CSE") under the symbol PMC, and on the OTC QB Market in the United States under the trading symbol PMCCF.

CORPORATE ACTIVITIES

SILVER BELL & ST. LAWRENCE, Virginia City Mining District, Montana

In March, 2019 the Company, through its wholly-owned subsidiary SBSL Subsidiary Corporation, and Frederick Private Equity Corporation ("Frederick PEC") signed an Exploration Agreement with a joint Venture Option (the "Agreement") on the Company's Silver Bell – St. Lawrence Gold Project (the "Project" or "SBSL") including an area of interest established around the Project which is located in the Virginia City Mining District, Montana. Under the Agreement, Frederick PEC may earn up to a 75% interest in the Project by spending a total of US$2,000,000 in exploration within six years and make annual option payments.

Frederick PEC may first earn a 51% interest in the Project by making annual US$10,000 option payments and spending US$1,000,000 in exploration within four years with a minimum of $200,000 in expenditure during the first two years. Frederick PEC may earn a further 24% interest in the Project by then making annual US$25,000 option payments and spending an additional US$1,000,000 in exploration over a two-year period following the establishment of the first 51% interest, for a total of US$2,000,000 to earn a 75% interest. After Frederick PEC has earned either a 51% or a 75% interest, as the case may be, a mining venture or mining company may be formed with respect to the Project, and Frederick PEC and Peloton will contribute their respective share of further exploration and development expenditures. In the event that either party's interest is diluted to ten percent (10.0%) or less, it shall relinquish its interest to the other party, in return for a royalty agreement that conveys to the diluting party a royalty of one percent (1.0%) of net smelter returns on all minerals thereafter produced and removed from the Project. The non-diluting party may, at any time, buy-down that royalty by one-half percent (0.05%), so that the total royalty is one-half percent (0.05%) of net smelter returns, by paying US$250,000 to the royalty holder. The Project is subject to an earlier outstanding 2% NSR, the majority of which can be bought down to one percent (1%), and a buy down option on the remaining claims is being sought.

SBSL hosts two past-producing gold-silver mines, the Silver Bell Mine and the St. Lawrence Mine. Both mines operated in the early 1900s and the St. Lawrence was temporarily reactivated in the early 1980s.

SBSL comprises one (1) patented mining claim and twenty- four (24) unpatented mining claims covering approximately 390 acres. SBSL is located about four miles southwest of the town of Virginia City, Montana, in Madison County, and about 50 miles southeast of Butte, Montana. Year-round access is available by a public road running off of paved Montana Highway 287. Electrical power extends to within approximately 2 miles of the property.

On April 26, 2019, African Metals Corporation ("AFR") announced that it had entered into an agreement with Frederick PEC whereby it may acquire initially a 51% interest in the Project from Frederick PEC. As part of that transaction, AFR has agreed to expend a minimum of US$200,000 in exploration expenditures in the first year. Those expenditures are expected to finance the initial drill program recommended by Dr. Childs.

John O'Donnell is an officer and/or director of the Company, Frederick PEC, and AFR and, as such, recused himself from the approval process of the transactions.

RIVER STAGE PROPERTY, ONTARIO, CANADA

The Company allowed an option on the River Stage Property, Rainey River, Ontario to lapse rather than make a final $25,000 option payment due in May, 2019 under an option to purchase agreement on the property. The Company has no further interest in the property.

CORPORATE

On March 15, 2019, the Company closed a private placement and issued 1,060,625 units at $0.10 CDN per unit for proceeds of $106,062 CDN ($80,729 USD). Each unit consists of one common share and one share purchase warrant exercisable for three years. Each warrant entitles the holder to purchase one share at a price of $0.15 CDN up to March 15, 2022.

The Company has engaged German Mining Networks ("GMN") to provide European investor relations and financing advisory services. GMN will be paid CDN$3,800 per month on a month to month basis and no stock options are being granted under this engagement.

The Company has modified the expiry time of certain outstanding warrants of the Company held by previous private placement investors as follows:

a. 1,200,000 warrants exercisable at a price of CDN$0.10 until 5:00 pm on June 10, 2019 are now exercisable until 5:00 pm on June 10, 2021.

OVERALL PERFORMANCE

In summary the Company's financial condition has weakened over the three months ended March 31, 2019. Working capital deficiency increased by $43,201 from ($350,341) at December 31, 2018 to ($393,542) at March 31, 2019. Working capital deficiency at March 31, 2018 was $296,598 The difference is mainly attributable to:

a. ongoing office and administrative costs;
b. accrual of management and director fees;
c. a challenging environment for junior exploration company financing.

SUBSEQUENT EVENTS

Refer to the Corporate Activities section above.

RESULTS OF OPERATIONS and SUMMARY OF QUARTERLY RESULTS

Total assets as at the end of March 31, 2019 were $163,540 (March 31, 2018 - $238,139) and consisted of cash $76,161 (March 31, 2018 - $128,288), HST receivable of $2,076 (March 31, 2018 - $15,065) prepaid expenses of $4,414 (March 31, 2087 - $4,817), property, plant and equipment $65,829 (March 31, 2018- $74,909) and reclamation bonds $15,060 (March 31, 2018-$15,060).

Total current liabilities as at March 31, 2019 were $476,193 (March 31, 2018 - $444,768) consisting primarily of trade payables and amounts due to directors and officers. Included in this amount is $434,093 (December 31, 2018 - $398,060) of amounts owing to directors of the Company for management and directors fees.

Long term financial liabilities consist of:
i.Convertible debenture of $62,296 (March 31, 2018 - $48,274; December 31, 2018 - $58,449)
ii. Derivative liability for a convertible debenture of $168,755 (March 31, 2018 - $205,785; December 31, 2018 - $180,436)
iii. Derivative liability for warrants denominated in a foreign currency of $782,434 (March 31, 2018 - $1,354,418; December 31, 2018 - $921,244).

Operating Revenues: The Company is a mineral exploration company and for the three months ended March 31, 2019 and March 31, 2018, the Company had no revenue. Raising capital through sales of its common shares funds the Company's exploration operations.

Expenses: Expenses for the three months ended March 31, 2019 were $131,971, an increase of $22,035 over the amount of $109,936 for the three months ended March 31, 2018. If items that do not affect the company's cash are not included (foreign exchange, stock-based compensation, depreciation), the increase in expenses is only $2,701.

Exploration and claim maintenance expenses for the three months ended March 31, 2019 were $13,455 compared to $15,582 during the three months ended March 31, 2018.

Expenses and gains incurred during the three months ended March 31, 2019 compared to the three months ending March 31, 2018 consisted of:
i.Office and administrative costs of $85,300 (Q1 2018-$88,802);
ii.Professional Fees of $16,426 (Q1 2018-$8,096);
iii.Loss on foreign exchange of $8,749 (Q1 2018- gain $4,814);
iv.Stock-based compensation of $5,771 (Q1 2018 – $Nil) relating to the grant of stock options;
v.Gain on revaluation of foreign currency warrants of $165,879 (Q1 2018-loss $263,510);
vi.Gain on Revaluation of derivative conversion liability $11,681 (Q1 2018- loss $47,136);
vii.Accretion expense $3,847 (Q1 2018-$2,983).

Net earnings (loss): The Company incurred a net income of $41,742 for the three months ended March 31, 2019, compared to net loss of $423,565 over the three months ended March 31, 2018. A gain of $165,879 on the re-evaluation foreign currency warrants and a gain of $11,681 from revaluation of derivative liability contributed to the Company recording net loss for the quarter.

There were considerable changes in some line items between the three months ended March 31, 2019 and March 31, 2018. The changes from revaluation of foreign currency warrants and the revaluation of derivative liability are book entries resulting from fluctuations in currency and stock price and can swing considerably from quarter to quarter. There is no effect on the company's cash position from these fluctuations.

Summary of Quarterly Results

Description	Mar 31/19	Dec 31/18	Sept 30/18	June 30/18	Mar 31/18	Dec 31/17	Sep 30/17	June 30/17
	$	$	$	$	$	$	$	$
Sales/Revenue	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Income/Loss	41,742	(447,862)	420,524	56,844	(423,565)	217,189	(791,424)	(464,968)
Net Income/Loss Per share – Basic & Diluted	0.001	(0.006)	0.006	0.001	(0.006)	0.004	(0.012)	(0.008)

LIQUIDITY

As at March 31, 2019, the Company had cash in the amount of $76,161 (March 31, 2018-$128,288) and current liabilities of $476,193 (March 31, 2018 - $444,768). As at March 31, 2019, the Company had working capital deficiency of $393,542 (March 31, 2018 - $296,598). Included in this amount is approximately $434,093 (March 31, 2018 – $406,105) of amounts owing to directors of the Company for management and directors fees. As a result, the Company has liquidity risk and is dependent on raising capital. The directors have agreed that all director fees that remain unpaid after two years be written-off at the end of each fiscal year of the Company, starting with the fiscal year ending December 31, 2013.

CAPITAL RESOURCES

For its long-term business objectives, the Company will require funds for ongoing exploration work on its Silver Bell – St. Lawrence Property in Montana and its Golden Trail Property, Independence Valley Property and Texas Canyon Property in Nevada, to work on any other mineral projects that it acquires, as well as to meet its ongoing day-to-day operating requirements and will have to continue to rely on equity and debt financing during such period. There can be no assurance that financing, whether debt or equity, will be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory to the Company. The Company does not have any other commitments for material capital expenditures over either the near or long term, and none are presently contemplated other than as disclosed above and/or over normal operating requirements.

The Company is not in default of its obligations on any of its mineral properties at this time.

OFF BALANCE SHEET ARRANGEMENTS

At May 30, 2019, the Company had no off-balance sheet 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.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Remuneration of Directors and key management of the Company during the period was as follows:

Management and director fees in the amount of $63,980 were incurred in the quarter ended March 31, 2019. This amount was included in office and administrative costs in the consolidated statements of loss and comprehensive loss, however the amounts were accrued since the directors did not wish to divert the limited available funds from the advancement of the mineral projects.

PROPOSED TRANSACTIONS

There are no transactions proposed at this time other than as disclosed herein.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Committee.

The significant accounting policies of the Company are summarized in Note 2 to the Company's financial statements

Critical Accounting Estimates

The Critical Accounting Estimates of the Company are discussed in Note 2 to the Company's financial statements.

Financial Instruments

The Financial Instruments of the Company are discussed in Note 2 to the Company's financial statements.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's: (a) capitalized or expensed exploration and development costs; (b) expensed research and development costs; (c) deferred development costs; (d) general and administrative expenses; and (e) any material costs, deferred or expenses, not already referred to in this MD&A is provided in the Company's Condensed Interim Consolidated Financial Statements and its Audited Consolidated Financial Statements for the year ended December 31, 2018, which can be accessed on SEDAR under the Company's profile page at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

The Company's authorized share capital consists of unlimited common shares without par value.

Issued and outstanding: March 31, 2019 – 78,604,800
Issued and outstanding: May 30, 2019 – 78,604,800

Warrants outstanding: March 31, 2019 – 36,552,420
Warrants outstanding: May 30, 2019 – 36,552,420
The warrants expire between June 2019 and March 2022 and have a weighted average exercise price of CDN $0.1031 per share.

Options outstanding: March 31, 2019 – 6,300,000
Options outstanding: May 30, 2019 – 5,151,000

The options expire between July 2019 and February 2024 and have a weighted average exercise price of CDN$0.102 per share.

Dividend Policy

No dividends have been paid on any shares of the Company since the date of its incorporation, and it is not contemplated that any dividends will be paid in the immediate or foreseeable future.

Controls and Procedures

Management is responsible for the design of internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards. Based on a review of its internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures, for the nature and size of the entity, are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, is made known to the Company's certifying officers. Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that these controls and procedures are effective, for the nature and size of the entity, in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company.

Litigation

The Company is not a party to any litigation.

Risks Associated with Exploration and Mining Operations

The exploration of mineral properties involves a high degree of risk which cannot be avoided despite the experience, knowledge and careful evaluation of prospective properties by management. There can be no assurance commercial quantities of ore will be discovered on the Company's mineral properties. Even if such commercial quantities are subsequently discovered by the Company's exploration efforts, there can be no assurance such properties can be brought in to commercial production. Operations may be subject to disruption due to weather conditions, labour unrest or other causes beyond the control of the Company. Hazards such as unexpected formations, pressures, flooding, or other conditions over which the Company does not have control may be encountered and may adversely affect the Company's operations and financial results.

Environmental Risks

Environmental legislation is continuing to evolve such as will require strict standards and enforcement, increased fines and penalties for non-compliance, more stringent assessment of proposed projects and a greater degree of corporate responsibility. There can be no assurance that current requirements and future changes to environmental legislation may not adversely affect the Company's operations.

Mineral Market

The market for minerals is subject to factors beyond the Company's control, such as market price fluctuation, currency fluctuation and government regulation. The effect of such factors cannot be accurately calculated. The existence of any or all such factors may restrict the access to a market, if same exists, for the sale of commercial ore which may be discovered.

Funding Requirements

In order to move forward with its exploration activities, the Company will require additional funding. There can be no guarantee that such funds will be available as and when required or, if available, be accessible on reasonable commercial terms.

Reliance on Management

The Company anticipates that it will be heavily reliant upon the experience and expertise of management with respect to the further development of the mineral properties. The loss of any one of their services or their inability to devote the time required to effectively manage the affairs of the Company could materially adversely affect the Company.

Auditors, Transfer Agent and Registrar

The auditors of the Company are RSM Canada LLP, of Toronto, Ontario. The Transfer Agent and Registrar for the Common Shares of the Company is TSX Trust Company in Toronto, Ontario.

Forward Looking Statements

Certain statements contained in this document constitute “forward-looking statements”. When used in this document, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “propose”, “anticipate”, “believe”, “forecast”, “estimate”, “expect” and similar expressions used by any of the Company’s management, are intended to identify forward-looking statements. Such statements reflect the Company’s internal projections, expectations, future growth, performance and business prospects and opportunities and are based on information currently available to the Company. Since they relate to the Company’s current views with respect to future events, they are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company’s actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments except as required by law or by CSE policies.