MIRAMONT RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

JULY 31, 2019

(Expressed in Canadian Dollars)

Report Date – November 28, 2019

The following Management's Discussion & Analysis ("MD&A") provides a review of activities, results of operations and the financial condition of Miramont Resources Corp. (the "Company") for the year ended July 31, 2019. This MD&A should be read in conjunction with the Company's audited annual consolidated financial statements and related notes thereto for the years ended July 31, 2019 and 2018. All amounts disclosed in this MD&A are expressed in Canadian dollars, unless otherwise noted.

Management's Responsibility

The Company's management is responsible for the preparation and presentation of the financial statements and this MD&A. The financial statements have been prepared in accordance with International Financial Accounting Standards ("IFRS") as issued by the International Accounting Standards Board and as included in Part 1 of the CPA Canada Handbook – Accounting and the interpretations of the International Financial Reporting Interpretations Committee. This MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

Forward-Looking Statements

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of exploration or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events such as receipt of permits and planned drilling and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-Looking Statements (cont'd…)

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States, Peru and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Overview

The Company was incorporated on July 15, 2015 under the Business Corporations Act of British Columbia and is a mineral exploration company with a focus on acquiring, exploring and advancing exploration and evaluation assets in Canada and Peru. The Company's head office and principal address is located at 23rd Floor - 1177 West Hastings Street, Vancouver, BC, V6E 2K3. The Company's registered and records office is located at 2974 Strangway Place, Squamish, BC, V8B 0P8. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol MONT and on the OTCQB under the trading symbol MRRMF. The Company is also quoted on the Frankfurt Stock Exchange under the trading symbol 6MR.

On November 14, 2017, the Company issued 15,048,000 common shares for the acquisition of all of the issued and outstanding shares of Puno Gold Corporation ("Puno"), a privately held Ontario corporation. Minera Puno Gold, S.A.C. ("Minera Puno") is a Peruvian corporation and is a wholly owned subsidiary of Puno. Minera Puno is engaged in the business of mineral exploration and development in Peru and, as at July 31, 2019, holds options to acquire a 100% interest in the Cerro Hermoso and Lukkacha projects.

Also on November 14, 2017, the Company completed a private placement of 20,000,033 units at a price of $0.30 per unit, for total proceeds of $6,000,010. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.45 per common share, for a period of two years from the date of issue. The Company paid a total of $297,681 cash in agents' commissions, finders' fees and legal fees and issued 673,827 agents' and finders' warrants, valued at $125,478. Each agents' and finders' warrant entitles the holder to purchase one common share at a price of $0.30 per common share, for a period of two years from the date of issue.

Overview (cont'd…)

On January 31, 2019, the Company completed a private placement of 4,716,498 units at a price of $0.35 per unit by way of a non-brokered private placement, for total proceeds of $1,650,774. Each unit was comprised of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.50 per common share, for a period of two years from the date of issue. The Company paid a total of $31,963 in finders' fees and legal fees and issued 80,156 finders' warrants. Each finders' warrant entitles the holder to purchase one common share at a price of $0.50 per common share, for a period of two years from the date of issue.

Exploration and Evaluation Assets

Cerro Hermoso

On September 23, 2016, subsequently amended September 18, 2018, Minera Puno entered into an option agreement to acquire a 100% interest in two mining concessions, Lucia Josefina and Haariana II, in the district of Santa Lucia, province of Lampa, Puno Region in Peru known as the Cerro Hermoso Concessions for a purchase price of US$3,526,000. The purchase price is to be paid as follows:

(i) US$50,000 on September 27, 2016 (paid);
(ii) US$50,000 on or before March 27, 2017 (paid);
(iii) US$100,000 on or before September 27, 2017 (paid);
(iv) US$70,000 on or before September 27, 2018 (paid);
(v) US$156,000 on or before September 27, 2019 (US$56,000 paid to July 31, 2019);
(vi) US$100,000 on or before September 27, 2020; and
(vii) US$3,000,000 on or before September 27, 2021.

The Cerro Hermoso Concessions are subject to a 1% Net Smelter Return royalty ("NSR") which will take effect when Minera Puno has received cumulative minimum payments of US$1,000,000 from the sale of minerals from the Cerro Hermoso Concessions. The NSR is subject to a buy-back right pursuant to which Minera Puno may purchase the full NSR for a total payment of US$5,000,000. Any NSR payments made before the buy-back may be deducted against the US$5,000,000.

On July 26, 2018, Minera Puno entered into an option agreement to acquire a 100% interest in the Milenios mining concession, contiguous to the Cerro Hermoso Concessions. The Milenios option agreement has a four year term. The purchase price is to be paid as follows:

(i) US$20,000 on July 26, 2018 (paid);
(ii) US$25,000 on or before July 26, 2019 (paid);
(iii) US$30,000 on or before July 26, 2020;
(iv) US$35,000 on or before July 26, 2021; and
(v) The greater of: US$200,000 and US$1 for each ounce of gold contained in a National Instrument 43-101 compliant resource on or before July 26, 2022.

Exploration and Evaluation Assets (cont'd…)

Cerro Hermoso (cont'd…)

On February 5, 2019, Minera Puno entered into an option agreement to acquire a 100% interest in the An An mining concession, contiguous to the Cerro Hermoso Concessions. The An An Agreement has a four year term. The purchase price is to be paid as follows:

(i) US$30,000 on February 5, 2019 (paid);
(ii) US$20,000 on or before August 5, 2019;
(iii) US$60,000 on or February 5, 2021; and
(iv) US$500,000 on or before February 5, 2023.

On May 15, 2018, the Company announced it had received approval of its environmental impact statement (known by the Spanish acronym DIA). Subsequent to receiving approval for the DIA, the Company applied for permits to commence drilling. The Company planned to drill between 3,500 and 5,000 meters, as was recommended in the NI 43-101 technical report dated effective May 31, 2017. On December 4, 2018, the Company announced that it had received approval of its final drill permit.

The Company commenced Phase 1 drilling at Cerro Hermoso in January 2019. A total of 3,679 metres was drilled in nine diamond drill holes with the program being completed in April 2019 (refer to the Company's press release dated April 12, 2019 for the results). A Phase 2 drill program commenced in May 2019 to follow-up on mineralization encountered in Phase 1. The Phase 2 program was paused in June 2019 to allow the Company to apply for adjustments to the current drill permit through the Informe Técnico Sustentatorio ("ITS"). The ITS would have provided an amendment to the Company's existing drill permit with the request to drill additional holes on existing platforms throughout the new target area. Submission of the ITS was subsequently cancelled upon review of final drill assays.

Subsequent to July 31, 2019, the Company announced that it had terminated the option agreements for the Lucia Josefina, Haariana II and An An concessions at the Cerro Hermoso project in order to preserve capital. Accordingly, the Company recorded a write-off on exploration and evaluation assets of $3,969,379 as at July 31, 2019. The Company retained the option agreement on the Milenios concession at the Cerro Hermoso project.

Lukkacha

On May 15, 2017, Minera Puno entered into an option agreement to acquire a 100% interest in certain mining concessions in the District of Chucatamani, Province of Tarata, Tacna Department in Peru, (the "Lukkacha Concessions"), known as the Lukkacha Option Agreement. The Lukkacha Option Agreement has a five year term. The purchase price is to be paid as follows:

(i) Initial payment of US$200,000 on the effective date of the Lukkacha Option Agreement (paid);
(ii) Annual payments of US$100,000 starting on the first anniversary of obtaining the Supreme Decree. Supreme Decree refers to the issuance by the President of the Republic and countersigned by the President of the Council of Ministers, the Ministry of Energy and Mines and the Minister of Defense, which will authorize Minera Puno to acquire the Lukkacha Concessions and the rights thereon established in the Lukkacha Option Agreement hereof since the Lukkacha Concessions are located within 50 km from the border with the Republic of Chile; and

Exploration and Evaluation Assets (cont'd…)

Lukkacha (cont'd…)

(iii) A final payment of US$2,500,000 on the execution of public deed of transferring mining rights.

Minera Puno must incur exploration expenditures on the Lukkacha Concessions as follows:

- US$1,000,000 within 24 months following the date of obtaining the Supreme Decree; and
- An additional US$1,000,000 within 36 months following the date of obtaining the Supreme Decree.

In the event that any exploration expenditures for the Lukkacha Concessions made by Minera Puno is determined to be less than agreed under the Lukkacha Option Agreement, Minera Puno may remedy the default and keep the Lukkacha Option Agreement in force by paying the vendor an amount equal to 50% of the deficient amount of exploration expenditures.

In fiscal 2018, a total of $264,490 of payments were made to the vendor as reimbursement for work incurred by the vendor on Lukkacha. Once the Supreme Decree is obtained, these payments will reduce the exploration expenditures commitment required on Lukkacha.

The Lukkacha Concessions are subject to a 2% NSR in favour of the vendor which will take effect when Minera Puno has received cumulative minimum payments of US$1,000,000 from the sale of minerals from the Lukkacha Concessions. Minera Puno may reduce the NSR to 1.5% by making a payment to the vendor of US$2,000,000. In addition, Minera Puno may further reduce the NSR to 1.0% by making an additional payment to the vendor of US$3,000,000.

The Company has made an application for the Supreme Decree.

Exploration and Evaluation Expenditures on Cerro Hermoso and Lukkacha

During the year ended July 31, 2019, the Company incurred total exploration and evaluation expenditures of $1,941,585 (2018 - $547,399) and $141,875 (2018 - $317,706), respectively, on the Cerro Hermoso and Lukkacha properties (collectively, the "Puno properties"). Expenditures on Cerro Hermoso for the year were primarily for preparation and completion of the Phase 1 and 2 drilling programs. The Company received approval of its environmental impact statement (DIA) for the Cerro Hermoso project in May 2018 and its drilling permits for the project in December 2018. In January 2019, the Company commenced a drill program that was designed to test three targets outlined by previous sampling, geologic mapping and a geophysics program. In May 2019, the Company commenced phase 2 drilling at Cerro Hermoso. The program was designed to follow up on results from the previous drilling campaign. Expenditures on Lukkacha for the year were primarily to keep the property in good standing.

(Expressed in Canadian Dollars)

Exploration and Evaluation Assets (cont'd…)

Exploration and Evaluation Expenditures on Cerro Hermoso and Lukkacha (cont'd…)

The exploration and evaluation expenditures incurred during the year ended July 31, 2019 were as follows:

Project	Cerro Hermoso	Lukkacha	Total
Assays	$ 108,667	$ -	$ 108,667
Community programs	11,969	16,114	28,083
Drilling	984,720	-	984,720
Engineering	10,045	-	10,045
Environmental and permitting	315	95,534	95,849
Field supplies	86,907	799	87,706
Geological consulting	17,152	-	17,152
Legal	204	-	204
Property payments, licences and rights	47,522	23,135	70,657
Travel	46,273	6,111	52,384
VAT	256,313	-	256,313
Vehicle rentals and maintenance	52,001	182	52,183
Wages and benefits	319,497	-	319,497
Total	$ 1,941,585	$ 141,875	$ 2,083,460

(Expressed in Canadian Dollars)

Exploration and Evaluation Assets (cont'd…)

Exploration and Evaluation Expenditures on Cerro Hermoso and Lukkacha (cont'd…)

The cumulative exploration and evaluation expenditures on the Puno properties incurred by the Company to July 31, 2019 are as follows:

Property	Cerro Hermoso	Lukkacha	Total
Assays	$ 118,496	$ -	$ 118,496
Community programs	25,652	16,114	41,766
Core shack	1,004	-	1,004
Drilling	984,720	-	984,720
Engineering	10,045	-	10,045
Environmental and permitting	14,998	101,885	116,883
Field supplies	125,485	1,369	126,854
Geological consulting	188,450	-	188,450
Legal	314	-	314
Property payments, licences and rights	96,307	332,056	428,363
Travel	79,204	7,538	86,742
VAT	324,112	-	324,112
Vehicle rentals and maintenance	80,603	619	81,222
Wages and benefits	439,594	-	439,594
Total to July 31, 2019	$ 2,488,984	$ 459,581	$ 2,948,565

Midas Gold

On October 19, 2016, the Company entered into an option agreement (the "Agreement") to acquire a 100% interest in and to certain mineral claims located in the Riggs and Bruyere Townships of Ontario which are collectively known and described as the Midas Gold Property. During the year ended July 31, 2017, the Company paid $30,000 and issued 100,000 common shares, valued at $10,000, in connection with the Agreement.

During the year ended July 31, 2018, management decided to discontinue exploration on the Midas Gold Property and, accordingly, wrote off the carrying value of $40,000.

(Expressed in Canadian Dollars)

Selected Annual Information

The following table sets out selected annual financial information for the financial years ended ("FYE") July 31, 2019, 2018 and 2017.

Year Ended		July 31, 2019		July 31, 2018		July 31, 2017
Revenue	$	Nil	$	Nil	$	Nil
Loss from continuing operations	$	(7,444,783)	$	(2,120,377)	$	(201,623)
- per share[(1)]	$	(0.14)	$	(0.05)	$	(0.02)
Loss and comprehensive loss	$	(7,444,783)	$	(2,120,377)	$	(201,623)
- per share [(1)]	$	(0.14)	$	(0.05)	$	(0.02)
Total assets	$	4,032,059	$	9,025,524	$	592,280
Total non-current financial liabilities	$	Nil	$	Nil	$	Nil
Cash dividends declared - per common share	$	Nil	$	Nil	$	Nil

1. Fully diluted loss per share is not presented as the effect was anti-dilutive.

Overall Performance and Results of Operations: Year-to-date

During the year ended July 31, 2019, the Company incurred a loss and comprehensive loss of $7,444,783 compared to a loss and comprehensive loss of $2,120,377 for the year ended July 31, 2018.

The loss and comprehensive loss of $7,444,783 (2018 - $2,120,377) for the current year was comprised of $6,052,839 (2018 - $905,105) in property expenditures, including a write-off of exploration and evaluation assets of $3,969,379 (2018 - $40,000), $1,379,679 (2018 - $1,250,170) in administrative expenses, including share-based payments of $449,704 (2018 - $302,844), and $(12,265) (2018 - $34,898) in net other income (expense).

The increase in loss for the current year was attributable to the increased exploration on the Puno properties, most significantly drilling and its associated costs on the Cerro Hermoso project and the write-off of exploration and evaluation assets of $3,969,379 associated with the costs associated with the termination of certain concessions under option. The increase in loss in FYE 2018 over FYE 2017 was attributable to the planned exploration and evaluation expenditures incurred on the Puno properties, following completion of the acquisition of Puno in November 2017, along with the increased costs associated with the management team and related financing, marketing and support costs of being an active publicly-listed exploration company. FYE 2017 had comparatively little activity, as the Company was searching for a project and preparing for listing on the CSE. The significant expenditures for the current year included:

Overall Performance and Results of Operations: Year-to-date (cont'd…)

Property Expenses

- Exploration and evaluation expenditures – The Company continues to perform exploratory work in Peru. Expenses incurred during the year were primarily used towards the Phase 1 and 2 drill programs at the Cerro Hermoso project where drilling commenced in January 2019. Expenditures incurred on Lukkacha during the year were primarily on costs to keep the property in good standing, while awaiting approval of the Supreme Decree. The comparative year consisted primarily of expenditures on the Cerro Hermoso project for geologic mapping, geophysics and geochemistry as well as permitting expenses associated with the Environmental Impact Statement (known by the Spanish acronym as "DIA") and to prepare for drilling the property.
- Write-off of exploration and evaluation assets – The current year includes the write off of the carrying value of the Lucia Josefina, Haariana II and An An concessions at the Cerro Hermoso project. The prior year includes the write off of the carrying value of the Midas Gold Property.

Administrative Expenses

- Management fees – During the current year, William Pincus left the Company and was replaced by Tyson King as President and CEO. Mr. Pincus was paid additional fees of $189,583 in connection with his departure in accordance with the terms of his consulting agreement with the Company.
- Marketing and investor relations – In the prior year, the Company incurred marketing costs and investor relations fees to promote its recent completion of the Puno acquisition. There has been less activity on this in the current year while the Company focused on drilling at Cerro Hermoso.
- Rent – During the current year, the Company began renting an office space.
- Share-based payments – Stock options granted to directors, officers, employees, consultants and advisors in February 2019 and March and April 2018, in accordance with its shareholder-approved stock option plan, continue to vest. There were no stock option grants prior to March 2018.
- Travel – Management reduced its travel to Peru during the current period as the preparation for drilling was completed and had been started. The prior period included travel costs to investigate potential projects as well as travel to Peru and to attend conferences.

(Expressed in Canadian Dollars)

Summary of Quarterly Results

The following table sets out selected unaudited quarterly financial information for the most recent eight quarters. The amounts presented have been prepared in accordance with IFRS for all eight quarters.

Three Months Ended		**July 31, 2019**		**April 30, 2019**		**January 31, 2019**		**October 31, 2018**
Revenue	$	Nil	$	Nil	$	Nil	$	Nil
Exploration and evaluation expenditures	$	771,890	$	894,930	$	351,293	$	65,347
Write-off of exploration and evaluation expenditures	$	3,969,379	$	-	$	-	$	-
Administrative expenses (excluding share-based payments)	$	179,756	$	410,447	$	178,392	$	161,380
Share-based payments	$	75,274	$	203,432	$	85,499	$	85,499
Loss from continuing operations	$	5,010,311	$	1,526,623	$	607,839	$	300,010
- per share [(1)]	$	(0.09)	$	(0.03)	$	(0.01)	$	(0.01)
Loss and comprehensive loss	$	5,010,311	$	1,526,623	$	607,839	$	300,010
- per share [(1)]	$	(0.09)	$	(0.03)	$	(0.01)	$	(0.01)

Three Months Ended		**July 31, 2018**		**April 30, 2018**		**January 31, 2018**		**October 31, 2017**
Revenue	$	Nil	$	Nil	$	Nil	$	Nil
Exploration and evaluation expenditures	$	489,638	$	212,087	$	203,380	$	Nil
Write-off of exploration and evaluation expenditures	$	-	$	-	$	-	$	40,000
Administrative expenses (excluding share-based payments)	$	271,365	$	259,339	$	293,488	$	123,134
Share-based payments	$	277,110	$	25,734	$	Nil	$	Nil
Loss from continuing operations	$	1,017,077	$	483,108	$	454,616	$	165,576
- per share [(1)]	$	(0.02)	$	(0.01)	$	(0.01)	$	(0.01)
Loss and comprehensive loss	$	1,017,077	$	483,108	$	454,616	$	165,576
- per share [(1)]	$	(0.02)	$	(0.01)	$	(0.01)	$	(0.01)

1. Fully diluted loss per share is not presented as the effect is anti-dilutive.

Overall Performance and Results of Operations: Quarterly

During the three month period ended July 31, 2019, the Company incurred a loss and comprehensive loss of $5,010,311 compared to a loss and comprehensive loss of $1,017,077 for the three month period ended July 31, 2018.

The loss and comprehensive loss of $5,010,311 (2018 - $1,017,077) for the current quarter was comprised of $4,741,269 (2018 - $489,638) in property expenses, including a write-off of exploration and evaluation assets of $3,969,379 (2018 - $Nil), $255,030 (2018 - $548,475) in administrative expenses, and $(14,012) (2018 - $21,036) in net other income (loss). The expenditures with significant changes in the current quarter from the comparative quarter of last year, not described above, were as follows:

Property Expenses

- Exploration and evaluation expenditures – Expenses incurred during the quarter were primarily used towards the completion of the Phase 2 drill program and analysis of results at the Cerro Hermoso project. The comparative period consisted primarily of funds incurred to begin the drilling permit application process on the Cerro Hermoso project and payments to the vendor of Lukkacha for work incurred by the vendor on Lukkacha.
- Write-off of exploration and evaluation assets – The current period includes the write off of the carrying value of the Lucia Josefina, Haariana II and An An concessions at the Cerro Hermoso project.

Administrative Expenses

- Share-based payments – Stock options were granted to directors, officers, employees, consultants and advisors in May 2018. One-third vested on grant, which resulted in a significant value recorded as share-based payments in the period. There were no stock options granted in the current period.
- Professional fees – The Company incurred an increase in professional fees in the current period as the year end audit fees were accrued.

Liquidity and Capital Resources

The Company's cash position was $2,348,270 as at July 31, 2019 compared to $3,584,184 as at July 31, 2018. The Company's working capital was $2,353,452 as at July 31, 2019 compared to $3,598,594 as at July 31, 2018. The Company's cash position consists of funds from a financing completed in the current year, in addition to funds raised in previous financings, along with proceeds on exercise of warrants, less cumulative expenditures incurred. The cash balance of $2,348,270 as at July 31, 2019 decreased by $1,235,914 from the $3,584,184 balance as at July 31, 2018. The net decrease was comprised of the $1,618,811 net proceeds from a private placement financing and the $408,642 net proceeds from the exercise of warrants, offset by $3,014,871 of expenditures on operating activities, $11,146 for the purchase of equipment and $237,350 for option payments on the Cerro Hermoso, An An, and Milenios option agreements.

Management believes the Company's current cash resources are sufficient to meet its short-term needs. The Company is continuing to explore various potential sources of financing, but there is no certainty that any additional financings will be completed. The Company raised capital in the current and previous reporting periods through private placements of its common shares and exercise of share purchase warrants, with the result that the current working capital balance is an amount that management believes is sufficient to further operations for the upcoming twelve months.

(Expressed in Canadian Dollars)

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements or transactions during the period.

Transactions with Related Parties

The following summarizes the Company's related party transactions with its key management personnel during the year ended July 31, 2019 and 2018:

	2019	2018
Paid or accrued administrative costs to Benchmark Point Governance Corp., a company controlled by Leah Hodges, a former director of the Company	$ -	$ 10,000
Paid or accrued management fees to Tyson King, a director and President and CEO of the Company since April 12, 2019 and formerly a director and Vice-president of the Company	69,000	54,000
Paid or accrued management fees to William Pincus, a director and President and CEO of the Company until April 12, 2019	306,247	153,122
Paid or accrued professional fees to Lesia Burianyk, CFO of the Company	30,000	30,000
Vesting of share-based payments to Dale Peniuk, a director of the Company	83,201	71,750
Vesting of share-based payments to Quinton Hennigh, a director of the Company	57,611	34,321
Vesting of share-based payments to Gerald Shields, a director of the Company	57,611	34,321
Vesting of share-based payments to Tyson King	62,343	34,321
Vesting of share-based payments to William Pincus	11,907	34,321
Vesting of share-based payments to Lesia Burianyk	35,904	17,160
	$ 713,824	$ 473,316

As at July 31, 2019, included in accounts payable and accrued liabilities was $10,296 (2018 - $25,857) owing to officers and directors.

Key management personnel are those persons having authority and responsibility for planning, directing controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and the members of its Board of Directors.

Subsequent Events

Subsequent to July 31, 2019, 158,334 options were forfeited and 19,715,421 warrants expired unexercised. Any other subsequent events are disclosed elsewhere in this MD&A.

Share Capital Information

Disclosure of Outstanding Share Data

The authorized capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value.

Shares Issued and Outstanding

As at the Report Date, there were 55,773,234 common shares issued and outstanding and Nil preferred shares issued and outstanding.

Stock options

As at the Report Date, the Company had 3,290,000 incentive stock options outstanding.

Warrants

As at the Report Date, the Company had 4,796,654 share purchase warrants outstanding.

New Accounting Policies Adopted

The following standards and amendments to existing standards have been adopted by the Company effective August 1, 2018:

IFRS 9, Financial Instruments

The Company retrospectively adopted *IFRS 9, Financial Instruments*. IFRS 9 sets out requirements for recognizing and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces *IAS 39, Financial Instruments: Recognition and Measurement*. Prior periods were not restated and there was no material impact to the Company's condensed interim consolidated financial statements as a result of transitioning to IFRS 9.

The adoption of IFRS 9 has not had a significant effect on the Company's accounting policies related to financial liabilities and financial assets. The impact of IFRS 9 on the classification and measurement of financial assets and financial liabilities is set out below.

New Accounting Policies Adopted (cont'd…)

IFRS 9, Financial Instruments (cont'd…)

Classification and measurement of financial assets and liabilities

Under IFRS 9, financial assets, on initial recognition, are recognized at fair value and subsequently classified and measured at: amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). IFRS 9 eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale. The classification of financial assets depends on the purpose for which the financial assets were acquired. The Company's financial assets consist of cash and receivables and are classified as amortized cost. Financial assets are classified as current assets or non-current assets based on their maturity date. Cash has changed classification from FVTPL to amortized cost. The carrying value is equal to its fair value given the short-term nature of the asset, therefore, there is no change in the carrying value as a result of the change in classification.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, and, as such, the Company's accounting policy with respect to financial liabilities is substantially unchanged. The Company's financial liabilities which consist of accounts payable and accrued liabilities are classified as amortized cost.

Impairment of financial assets

Under IFRS 9, an expected credit loss ("ECL") impairment model applies to financial assets classified and measured at amortized cost, and contract assets and debt investments classified and measured at FVOCI, but not to investments in equity instruments. The ECL model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit and loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

The adoption of the ECL impairment model had a negligible impact on the carrying amounts of the Company's financial assets given the nature of the items and that receivables are substantially all current and there is a minimal level of default.

IFRS 15, Revenue from Contracts with Customers

The Company retrospectively adopted *IFRS 15, Revenue from Contracts with Customers.* IFRS 15 establishes principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Company currently has no revenue. There was no impact on the consolidated financial statements as a result of adopting this standard.

New Standards, Interpretations and Amendments to Existing Standards Not Yet Effective

The following standards, amendments to standards and interpretations have been issued and are effective for annual periods beginning on or after January 1, 2019:

IFRS 16, Leases

IFRS 16 will replace *IAS 17, Leases*. The new standard requires lessees to recognize a lease liability reflecting future lease payments and a "right-of-use asset" for virtually all lease contracts, and to record it on the statement of financial position, except with respect to lease contracts that meet limited exception criteria.

The Company adopted the standard effective August 1, 2019. A review of the existence of lease contracts was completed prior to adoption. The expected effect is increased disclosure.

Financial Instrument Risk

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. As at July 31, 2019, the Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets, being cash and receivables. The Company's primary bank accounts are held with a major Canadian bank and funds are transferred to the subsidiary's foreign bank accounts as required to cover current expenditures; this minimizes the risk to the Company. Receivables are primarily due from a bank and a government agency.

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's approach to managing liquidity is through regular monitoring of cash requirements. When necessary, the Company obtains financing from various investors to ensure all future obligations are fulfilled. The Company has sufficient cash as at July 31, 2019 to settle its current liabilities as they come due and management believes funds are sufficient to further operations for the upcoming twelve months.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of market price changes:

Foreign currency exchange risk – this risk relates to any changes in foreign currencies in which the Company transacts. The effect of a 10% change in the foreign exchange rate on cash held in US dollars accounts would be approximately $35,000.

Financial Instrument Risk (cont'd…)

Market risk (cont'd…)

Interest rate risk – this risk relates to the change in the borrowing rates of the Company. The Company is not exposed to interest rate risk as it does not have any significant financial instruments with interest rates, with the exception of cash. Interest earned on cash is based on prevailing bank account interest rates, which may fluctuate. A 1% increase or decrease in the interest rates would result in a nominal difference in interest income for the year ended July 31, 2019.

Price risk – this risk relates to fluctuations in commodity and equity prices. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

The Company does not currently use financial instruments designed to hedge these market risks.

Fair value hierarchy

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company has classified its cash, receivables and accounts payable and accrued liabilities as amortized cost. The fair value of cash was determined using level 1. The fair value of receivables and accounts payable and accrued liabilities approximates their carrying values because of the short-term nature of these instruments.

Capital Management

The Company defines capital as cash, debt, and the components of shareholders' equity. The Company's objectives when managing capital are to identify, pursue, and complete the exploration and development of its exploration and evaluation assets, to maintain financial strength, to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. The Company manages its capital in a manner consistent with the risk characteristics of the assets it holds. All financing, including equity and debt, are analyzed by management and approved by the Board of Directors. The Company does not have any externally imposed capital requirements. There has been no significant change in the Company's objectives, policies, and processes for managing its capital during the year ended July 31, 2019.

Risks and Uncertainties

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

a) The exploration for and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as quantity and quality of the minerals and proximity to infrastructure; mineral prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted but could have a material adverse effect upon the Company's operations. Mining operations generally involve a high degree of risk. The operations of the Company are subject to all the hazards and risks normally encountered in the exploration, development and production of precious metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although adequate precautions to minimize risk will be taken, milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability. There is no certainty that the expenditures made by the Company toward the search and evaluation of precious metals and other minerals will result in discoveries of mineral resources, mineral reserves or any other mineral occurrences.

b) The most likely sources of future funds for further acquisitions and exploration programs undertaken by the Company are the sale of equity capital and the offering by the Company of an interest in its properties to be earned by another interested party carrying out further exploration or development. If such exploration programs are successful, the development of economic ore bodies and commencement of commercial production may require future equity financings by the Company, which are likely to result in substantial dilution to the holdings of existing shareholders.

Risks and Uncertainties (cont'd…)

c) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

d) The prices of metals greatly affect the value of and the potential value of its exploration and evaluation assets. This, in turn, greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.

e) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.

f) The exploration and development activities of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining the necessary licenses and permits to continue exploration and development activities in the future.

g) Although the Company has taken steps to verify title to the exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such assets may be subject to prior agreements or transfers and title may be affected by such undetected defects.

h) The operations of the Company are currently conducted primarily in Peru, as such, the operations of the Company are exposed to various levels of political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; extreme fluctuations in currency exchange rates; and changing political conditions, currency controls and governmental regulations. Changes, if any, in mining or investment policies or shifts in political attitudes in any of the countries the Company operates in may adversely affect the operations or profitability of the Company. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or profitability of the Company.

Risks and Uncertainties (cont'd…)

i) The Company's relationship with the communities in which it operates are critical to ensure the future success of its existing operations and the development of its projects. Certain governmental and non-governmental organizations, some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such governmental and non-governmental organizations or others related to extractive industries generally, or the Company's operations specifically, could have an adverse effect on the Company's reputation or financial condition and may impact its relationship with the communities in which it operates. While the Company is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

j) The Company is dependent upon the services of key executives, including the directors of the Company and a small number of highly skilled and experienced executives and personnel. Due to the relatively small size of the Company, the loss of these persons or the inability of the Company to attract and retain additional highly-skilled employees may adversely affect its business and future operations.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described in any forward-looking statements. The exploration and development activities of the Company are subject to various laws governing exploration, development, and labour standards which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

Proposed Transactions

Currently there are no pending proposed transactions; however, the Company continues to seek new business and/or investment opportunities and to raise capital.

Additional Information

Additional information relating to the Company, is available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR") website at **www.sedar.com.**

Corporate Information

Directors:	Tyson King Gerald Shields Quinton Hennigh Dale Peniuk
Officers:	Quinton Hennigh, Executive Chairman Tyson King, President and CEO Lesia Burianyk, CFO Leah Hodges, Corporate Secretary
Auditor:	Davidson and Company, LLP Chartered Professional Accountants Suite 1200 - 609 Granville Street Vancouver, BC, V7Y 1G6
Legal Counsel:	DuMoulin Black, LLP 10th Floor - 595 Howe Street Vancouver, BC, V6C 2T5
Transfer Agent:	Computershare Trust Company of Canada 2nd Floor - 510 Burrard Street Vancouver, BC, V6C 3B9