MIRAMONT RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2020

(Expressed in Canadian Dollars)

Report Date – June 24, 2020

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 nine months ended April 30, 2020. This MD&A should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes thereto for the nine months ended April 30, 2020 and the audited annual consolidated financial statements and related notes thereto and the related annual MD&A for the year ended July 31, 2019. 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 completion of the transaction with Kuya Silver Corp. ("Kuya") and 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; the outbreak of an epidemic or a pandemic, including the recent outbreak of the novel coronavirus (COVID-19), or other health crisis and the related global health emergency affecting workforce health and wellbeing; 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 and shareholders in connection with the Kuya transaction; 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 40440 Thunderbird Ridge, Squamish, BC, V8B 0G1. 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 April 30, 2020, holds options to acquire a 100% interest in the Lukkacha project. Option agreements on the properties within the Cerro Hermoso project, being the Lucia Josefina, Haariana II, An An, and Milenios properties, were terminated during the nine months ended April 30, 2020.

Overview (cont'd…)

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 entitled 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 entitled 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. The unexercised agents' and finders' warrants have expired.

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.

The Company continues to review high-quality, drill-ready precious metals and polymetallic exploration opportunities.

Subsequent to April 30, 2020, the Company announced that it had executed into a definitive agreement with Kuya whereby the Company will acquire all of the issued and outstanding shares of Kuya in exchange for shares of the Company. Refer to the "Subsequent Events" section for a further description of the proposed transaction

Exploration and Evaluation Assets

<u>Cerro Hermoso</u>

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 to be paid over the period to September 27, 2021 (of which a total of US$326,000 was paid to November 14, 2019).

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 and requires payments totaling US$610,000 by February 5, 2023 (of which US$30,000 was paid to November 14, 2019).

On May 15, 2018, the Company announced it had received approval of its environmental impact statement and 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.

In November 2019, the Company announced that it had decided to terminate the option agreements for the Lucia Josefina, Haariana II and An An concessions at the Cerro Hermoso project in order to preserve capital and in May 2020, the Company gave notice of its intension to not make the option payment due on July 26, 2020 on the Milenios concession. The Company recorded a write-off on exploration and evaluation assets of $59,338 during the three months ended April 30, 2020 related to the Milenios concession and $3,969,379 in fiscal 2019 related to the Lucia Josefina, Haariana II and An An concessions.

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
(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.

Exploration and Evaluation Assets (cont'd…)

Lukkacha (cont'd…)

Minera Puno is responsible, during the validity of the Lukkacha Option Agreement, to make annual payments for the license fees and penalties applicable to the Lukkacha Concessions.

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% net smelter returns royalty ("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 nine months ended April 30, 2020, the Company incurred total exploration and evaluation expenditures of $138,532 (2019 - $1,289,736) and recorded $202,554 (2019 - $nil) in VAT refunds for a net recovery of exploration and evaluation expenditures of $64,022 (2019 - exploration and evaluation expenditures of $1,289,736) and $nil (2019 - $21,834), respectively, on the Cerro Hermoso and Lukkacha properties (collectively, the "Puno properties"). Expenditures on Cerro Hermoso for the period were focused towards reclamation work and the geological analysis of the results on the Phase 2 drill program and related documentation. The VAT refunds were based on expenditures incurred on work performed in fiscal 2019 and were approved by the Peru government. Expenditures on Cerro Hermoso for fiscal 2019 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 fiscal 2019 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 (recovery) incurred during the nine months ended April 30, 2020 were as follows:

Project		**Cerro Hermoso**		**Lukkacha**		**Total**
Assays	$	898	$	-	$	898
Community programs		6,695		-		6,695
Field supplies		6,766		-		6,766
Geological consulting		5,410		-		5,410
Property payments, licences and rights		8,441		-		8,441
Travel		3,188		-		3,188
VAT (recovery)		(185,423)		-		(185,423)
Vehicle rentals and maintenance		4,770		-		4,770
Wages and benefits		85,233		-		85,233
Total	$	(64,022)	$	-	$	(64,022)

The cumulative exploration and evaluation expenditures on the Puno properties incurred by the Company to April 30, 2020 are as follows:

Property		**Cerro Hermoso**		**Lukkacha**		**Total**
Assays	$	119,394	$	-	$	119,394
Community programs		32,347		16,114		48,461
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		132,251		1,369		133,620
Geological consulting		194,174		-		194,174
Property payments, licences, and rights		104,748		332,056		436,804
Travel		82,392		7,538		89,930
VAT		138,689		-		138,689
Vehicle rentals and maintenance		85,373		619		85,992
Wages and benefits		524,827		-		524,827
Total to April 30, 2020	$	2,424,962	$	459,581	$	2,884,543

(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. The adoption of IFRS 16 effective August 1, 2019 and IFRS 15 effective August 1, 2018 did not impact the Company's previously reported revenues or expenses. Refer to the "New Accounting Policies Adopted" section for further details.

Three Months Ended		**April 30, 2020**		**January 31, 2020**		**October 31, 2019**		**July 31, 2019**
Revenue	$	Nil	$	Nil	$	Nil	$	Nil
Exploration and evaluation expenditures (recovery)	$	98,034	$	(156,633)	$	53,915	$	771,890
Write-off of exploration and evaluation assets	$	59,338	$	-	$	-	$	3,969,379
Administrative expenses (excluding share-based payments)	$	88,895	$	103,582	$	112,019	$	179,756
Share-based payments	$	19,636	$	67,044	$	67,045	$	75,274
Loss from continuing operations	$	162,980	$	8,104	$	231,749	$	5,010,311
- per share [(1)]	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.09)
Loss and comprehensive loss	$	162,980	$	8,104	$	231,749	$	5,010,311
- per share [(1)]	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.09)

(Expressed in Canadian Dollars)

Summary of Quarterly Results (cont'd…)

Three Months Ended		April 30, 2019		January 31, 2019		October 31, 2018		July 31, 2018
Revenue	$	Nil	$	Nil	$	Nil	$	Nil
Exploration and evaluation expenditures	$	894,930	$	351,293	$	65,347	$	489,638
Write-off of exploration and evaluation assets	$	-	$	-	$	-	$	-
Administrative expenses (excluding share-based payments)	$	410,447	$	178,392	$	161,380	$	271,365
Share-based payments	$	203,432	$	85,499	$	85,499	$	277,110
Loss from continuing operations	$	1,526,623	$	607,839	$	300,010	$	1,017,077
- per share (1)	$	(0.03)	$	(0.01)	$	(0.01)	$	(0.02)
Loss and comprehensive loss	$	1,526,623	$	607,839	$	300,010	$	1,017,077
- per share (1)	$	(0.03)	$	(0.01)	$	(0.01)	$	(0.02)

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 April 30, 2020, the Company incurred a loss and comprehensive loss of $162,980 compared to a loss and comprehensive loss of $1,526,623 for the three-month period ended April 30, 2019.

The loss and comprehensive loss of $162,980 (2019 - $1,526,623) for the current quarter was comprised of $98,034 (2019 - $894,930) in property expenditures, $108,531 (2019 - $613,879) in administrative expenses, and $43,585 (2019 - $(17,814)) 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 included $38,696 of expenditures incurred during the quarter primarily used towards reclamation work at the Cerro Hermoso project. The comparative period consisted primarily of funds incurred for the Phase 1 drill program at the Cerro Hermoso project where drilling commenced in January 2019. There were minimal expenditures incurred on Lukkacha during the quarter while awaiting approval of the Supreme Decree. Expenses in the current period also include $59,388 for the write-off of the Milenios concession.

Overall Performance and Results of Operations: Quarterly (cont'd…)

Administrative Expenses

- Consulting fees – In the prior period, the Company hired outside consultants to provide assistance with the review of the Puno properties.
- Management fees – The current period consists solely of fees paid to Tyson King; the prior period also included fees paid to William Pincus, the former 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 period, the Company incurred marketing costs and investor relations fees to update the market on the drilling at Cerro Hermoso. In the current period, the Company has reduced its expenditures as it focuses on maintaining cash.
- Share-based payments – Stock options were 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. There have been no stock option grants subsequent to February 2019.

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

During the nine-month period ended April 30, 2020, the Company incurred a loss and comprehensive loss of $402,833 compared to a loss and comprehensive loss of $2,434,472 for the nine-month period ended April 30, 2019.

The loss and comprehensive loss of $402,833 (2019 - $2,434,472) for the current nine-month period was comprised of $(4,684) (2019 - $1,311,570) in property (recoveries) expenditures, $458,221 (2019 - $1,124,649) in administrative expenses, and $50,704 (2019 - $1,747) in net other income. The expenditures with significant changes in the current nine-month period from the comparative nine-month period of last year, not described above, were as follows:

Property Expenses

- Exploration and evaluation expenditures – Expenses incurred during the period were primarily used towards reclamation work and the analysis of results of the drill program at the Cerro Hermoso project, net of the VAT refund of $202,554. The comparative period consisted primarily of funds incurred on exploratory work on the projects.

Administrative Expenses

- Travel – The current period had less travel as compared to the prior period which included travel to Peru. The current period includes only domestic travel.

(Expressed in Canadian Dollars)

Liquidity and Capital Resources

The Company's cash position was $2,169,234 as at April 30, 2020 compared to $2,348,270 as at July 31, 2019. The Company's working capital was $2,165,158 as at April 30, 2020 compared to $2,353,452 as at July 31, 2019. The Company's cash position consists of funds raised in previous financings, along with proceeds on exercise of warrants, less cumulative expenditures incurred. The cash balance of $2,169,234 as at April 30, 2020 decreased by $179,039 from the $2,348,270 balance as at July 31, 2019. The net decrease was comprised of expenditures on operating activities, which was offset by the receipt of the VAT refunds from the Peru government.

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 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.

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 nine months ended April 30, 2020 and 2019:

	2020	2019
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	$ 63,000	$ 48,000
Paid or accrued management fees to William Pincus, a director and President and CEO of the Company until April 12, 2019	-	306,247
Paid or accrued professional fees to Lesia Burianyk, CFO of the Company	22,500	22,500
Vesting of share-based payments to Dale Peniuk, a director of the Company	30,198	70,345
Vesting of share-based payments to Quinton Hennigh, a director of the Company	23,206	47,690
Vesting of share-based payments to Gerald Shields, a director of the Company	23,206	47,690
Vesting of share-based payments to Tyson King	25,881	51,344
Vesting of share-based payments to William Pincus	-	11,907
Vesting of share-based payments to Lesia Burianyk	15,615	29,325
	$ 203,606	$ 635,048

Transactions with Related Parties (cont'd…)

As at April 30, 2020, included in accounts payable and accrued liabilities was $19,250 (July 31, 2019 - $10,296) 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 April 30, 2020, the Company executed a definitive agreement (the "Definitive Agreement") with Kuya, whereby the Company will acquire all of the issued and outstanding shares of Kuya in exchange for shares of the Company (the "Transaction"). Kuya is a privately held Canadian-based silver focused mining company earning into an 80% interest in the Bethania Silver Mine located in central Peru.

Pursuant to the Definitive Agreement, the Company will complete a consolidation of its issued and outstanding common shares (the "Consolidation") on the basis of one post-Consolidation common share (the "Shares") for every 10 outstanding common shares in the capital of the Company. Following the Consolidation, each of the shareholders of Kuya will receive 1.835 Shares in exchange for each share held in the capital of Kuya and holders of convertible securities in Kuya will receive replacement securities in the Company adjusted in accordance with the Exchange Ratio. As a condition to the completion of the Transaction, Kuya must complete a private placement financing (the "Concurrent Financing"). The Concurrent Financing is expected to consist of a brokered private placement of subscription receipts at a price of $1.65 ("Subscription Receipts") per Subscription Receipt to raise gross proceeds of up to $10,000,000. Upon completion of the Transaction the Company will change its name to "Kuya Silver Corporation" or such other similar name as the parties may agree to (the "Name Change"). It is expected that upon closing of the Transaction, the current shareholders of the Company will hold approximately 30% of the outstanding shares and the Kuya shareholders will hold approximately 70% of the outstanding Shares (not including the issuance of Shares pursuant to the Concurrent Financing). Accordingly, it is expected that the Transaction will be accounted for as a reverse takeover of the Company by Kuya and following closing of the Transaction, the consolidated financial statements of the combined company will be those of Kuya, the accounting acquiree.

Completion of the Transaction is subject to a number of closing conditions, including the completion of the Consolidation, completion of the Name Change, completion of the Concurrent Financing, and applicable shareholder and regulatory approvals. Refer to the Company's press release dated June 11, 2020 for additional information.

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.

Share Capital Information (cont'd…)

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 3,250,000 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 standard has been adopted by the Company, using the modified retrospective application method, effective August 1, 2019:

IFRS 16, Leases

This standard 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. It 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.

There was no impact on the condensed interim consolidated financial statements as a result of adopting this standard as the Company has not entered into any contracts that contain a lease.

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 April 30, 2020, 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.

Financial Instrument Risk (cont'd…)

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 April 30, 2020 to settle its current liabilities as they come due and management estimates 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 dollar accounts would be approximately $61,000 for the nine months ended April 30, 2020.

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 nine months ended April 30, 2020.

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 marketplace.

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

Financial Instrument Risk (cont'd…)

Fair value hierarchy (cont'd…)

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 nine months ended April 30, 2020.

Risks and Uncertainties

For full details on the risks and uncertainties affecting the Company, please refer to the Company's audited annual consolidated financial statements and related notes thereto and the annual MD&A for the year ended July 31, 2019. These documents are available for viewing at the Company's website at www.miramontresources.com or on the Company's profile at www.sedar.com.

The following updates to the risks and uncertainties disclosures in the MD&A for the three and nine months ended April 30, 2020 are noted below:

The Company's business and operations could be adversely affected by the outbreak of an epidemic or a pandemic or other health crises, including the recent outbreak of COVID-19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, and on March 16, 2020 the Peru government declared that the COVID-19 outbreak in the country constitutes a national state of emergency. Under the state of emergency, the Peru government enacted 15 days of mandatory quarantine which included closing of all international borders (land, air and maritime) and suspension of all interprovincial travel within Peru. Global government actions, including these restrictive measures in Peru, along with market uncertainty could cause an economic slowdown resulting in a decrease in the demand for metals and have a negative impact on metal prices, as well as possible disruptions to global supply chains. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

In addition, the Transaction with Kuya requires regulatory and shareholder approval and there can be no certainty that these approvals will be obtained. The Transaction is also subject to the completion of the Concurrent Financing and there is no certainty that this financing will be completed.

Proposed Transactions

Currently there are no pending proposed transactions, except as disclosed under the "Subsequent Events" section**.**

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