AJN RESOURCES INC.
MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE SIX MONTHS ENDED JANUARY 31, 2021 AND 2020

(in Canadian Dollars, except where noted)

1. EFFECTIVE DATE AND FORWARD-LOOKING STATEMENTS

a) Reporting Period and Effective Date

This Management's Discussion & Analysis ("MD&A") of financial position and results of operations prepared as of March 15, 2021 provides an analysis of the operations and financial results of AJN Resources Inc. ("the Company") for the three and six months ended January 31, 2021 and 2020. This MD&A should be read in conjunction with the financial statements of the Company and related notes thereto as at and for the six months ended January 31, 2021 and 2020 which have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts presented in this MD&A are Canadian dollars unless otherwise stated.

b) Forward-looking Statements

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and US securities legislation. These statements relate to future events or the future activities or performance of the Company. All statements, other than statements of historical fact are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate, and similar expressions, or which by their nature refer to future events. These forward-looking statements include, but are not limited to, statements concerning:

- the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations;
- the Company's plans to grow sales and offer new products and services;
- the Company's future cash requirements;
- general business and economic conditions;
- the Company's ability to meet its financial obligations as they come due, and to be able to raise the necessary funds to continue operations;
- the timing, pricing, completion, regulatory approval of proposed financings if applicable;

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Inherent in forward looking statements are risks and uncertainties beyond the Company's ability to predict or control, including, but not limited to, risks related to the Company's ability to raise the necessary capital or to be fully able to implement its business strategies, and other risks identified herein under "Risk Factors".

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results are likely to differ, and may differ materially, from those expressed or implied by forward looking statements contained in this MD&A. Such statements are based on a number of assumptions, which may prove incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technology companies specifically;
- the Company's ability to continue to roll out is business plan which includes new product launches and associated planning in production, sales, distribution and marketing;
- the Company's ability to secure and retain employees and contractors to carry out its business plans;

These forward-looking statements are made as of the date hereof and the Company does not intend and does not assume any obligation, to update these forward-looking statements, except as required by applicable law. For the reasons set forth above, investors should not attribute undue certainty to or place undue reliance on forward-looking statements.

Historical results of operations and trends that may be inferred from the following discussion and analysis may not necessarily indicate future results from operations. In particular, the Company has moved from a private corporation operating with very limited capital and therefore with very restricted operations, to a publicly traded venture issuer. Accordingly, drawing trends from the Company's limited operating history is difficult.

2. DESCRIPTION OF THE BUSINESS

AJN Resources Inc. (the "Company") is in the business of the exploration and evaluation of mineral properties in Nevada, USA. The Company was incorporated under the Business Corporations Act of British Columbia on September 1, 2016. On June 12, 2018, the Company listed its shares on the Canadian Securities Exchange ("CSE") and trades under the symbol AJN. The address of the Company's registered and records office and principal place of business is Suite 1400 – 1199 West Hasting St., Vancouver, British Columbia, V6E 3T5 Canada.

During the year ended July 31, 2017, the Company entered into an option agreement dated April 25, 2017 (the "Option Agreement"), and as last amended on July 3, 2017, to acquire a 100% interest in certain claims comprising the Salt Wells Lithium Project located in Nevada, USA, subject to a 4.5% net smelter returns royalty.

On Jan. 18, 2020, AJN Resources Inc. signed a memorandum of understanding with Societe Miniere de Kilo-Moto SA (SOKIMO), whereby SOKIMO proposes to obtain from AJN the conversion of its rights to a direct participation in various gold licenses held by SOKIMO into shares of AJN. The gold licenses are located within the Kilo-Moto gold province in the northeast of the Democratic Republic of the Congo (DRC).

On March 23, 2020, the Company incorporated AJN Resources Congo SASU ("AJN Congo") based in the Democratic Republic of the Congo ("DRC"). AJN Congo is a 100% owned subsidiary of the Company. On January 18, 2020, the Company signed a Memorandum of Understand (MoU) with Société Minière de Kilo-Moto SA ("SOKIMO") whereby SOKIMO proposes to obtain from the Company the conversion of its rights to a direct participation in various gold licenses held by SOKIMO into shares in the Company. The gold licenses are located within the Kilo-Moto gold province in the north-east of the DRC. To January 31, 2021, completion of the terms of the MoU remain subject to due diligence and approvals and the Company has not commenced operations in the DRC.

3. OUTLOOK AND GOING CONCERN

a) Outlook

The Company's primary business is the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets do not presently host any known mineral deposits nor, given the high degree of risk involved, can there be any assurance that its exploration activities will result in such deposits being located or, ultimately, a profitable mining operation in the future.

In 2020, there was a global outbreak of coronavirus that has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot be determined, but they could have a prospective material impact to the Company's project exploration activities, cash flows and liquidity. Various restrictions on gatherings, work, and access to remote communities near the Company's project may also impact the Company's ability to perform exploration activities at the project.

Going Concern

The Company incurred a loss of $524,456 during the six months ended January 31, 2021 (2020 - $619,712) has working capital as at January 31, 2021 of $1,933,135 (July 31, 2020 - $2,430,992), and has accumulated deficit as at January 31, 2021 of $3,739,090 (July 31, 2020 - $3,214,634). Further, the Company has no source of operating cash flows, and there is no assurance that sufficient funding (including adequate financing) will be available to conduct required exploration and development of its mineral property projects. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These consolidated financial statements do not give effect to any adjustments that might be required should the Company be unable to continue as a going concern.

4. REVIEW OF QUARTERLY RESULTS

a) Overall Performance and Discussion of Operations Selected Information

The selected financial information set out below is based on and derived from consolidated financial statements which have been prepared in accordance with IFRS.

Statements of Loss	Six months ended January 31, 2021	Six months ended January 31, 2020
	$	$
Total revenue	**Nil**	Nil
Total operating expenses	**466,739**	622,709
Net loss	**(524,456)**	(619,712)
Net loss per Share – basic and diluted	**(0.02)**	(0.03)

Statements of Financial Position Data	As at January 31, 2021	As at July 31, 2020
	$	$
Cash and cash equivalents	**1,955,583**	2,384,496
Total assets	**2,180,593**	2,736,545
Total liabilities	**1,075,348**	1,081,396

Shareholders' Equity	As at January 31, 2021	As at July 31, 2020
	$	$
Share capital	**3,826,947**	3,826,947
Shareholders' equity	**1,105,245**	1,655,149

b) Selected Quarterly Financial Information

The following is a summary of the Company's financial results for the eight most recently completed quarters ended January 31, 2021:

3 Months Ended	Net Loss	Net Comprehensive Loss	Basic and Diluted Loss per Share
	$	$	$
January 31, 2021	(207,199)	(228,138)	(0.01)
October 31, 2020	(317,257)	(321,766)	(0.01)
July 31, 2020	(665,353)	(659,976)	(0.04)
April 30, 2020	(1,504,215)	(1,504,215)	(0.06)
January 31, 2020	(570,376)	(570,376)	(0.03)
October 31, 2019	(49,335)	(49,335)	(0.00)
July 31, 2019	(81,995)	(81,995)	(0.01)
April 30, 2019	(26,168)	(26,168)	(0.00)

c) Results of Operations

Three Months Ended January 31, 2021

For the three months ended January 31, 2021, the Company had no revenue and a net loss of $207,199, compared to a loss of $561,773 for the three months ended January 31, 2020. Net loss primarily relates to consulting fees of $78,500 (2020 - $82,100), professional fees of $44,624 (2020 - $460,025), office and miscellaneous expenses of $29,523 (2020 – $530), and accretion expense of $23,832 (2020 - $nil).

Six Months Ended January 31, 2021

For the six months ended January 31, 2021, the Company had no revenue and a net loss of $524,456, compared to a loss of $619,712 for the six months ended January 31, 2020. Net loss primarily relates to consulting fees of $237,187 (2020 - $112,100), professional fees of $137,873 (2020 - $473,979), office and miscellaneous expenses of $52,459 (2020 – $4,149), and accretion expense of $46,403 (2020 - $nil).

Total liabilities at January 31, 2021 were $1,075,348 (July 31, 2020 - $1,081,396) representing a net decrease of $6,048. This net decrease is due to a decrease of $69,130 in accounts payable offset by an increase $16,679 in accrued interest and accretion of the convertible debenture of $46,403.

Shareholders' equity at January 31, 2021 consists of share capital of $3,826,947 (July 31, 2020 - $3,826,947), share-based reserves of $1,037,459 (July 31, 2020 - $1,037,459), accumulated other comprehensive loss of $20,071 (July 31, 2020 – accumulated other comprehensive income of $5,377) and a deficit of $3,731,090 (July 31, 2020 - $3,214,634) for net shareholders' equity of $1,105,245 (July 31, 2020 - $1,655,149).

Working capital (defined as current assets less current liabilities) was $1,933,135 at January 31, 2021 (July 31, 2020 - $2,430,992).

The number of common shares outstanding at January 31, 2021 and July 31, 2020 was 25,083,000.

d) Summary of Mineral Property Interests

The Company entered into an option agreement dated April 25, 2017 (the "Option Agreement"), and as last amended on October 3, 2017, to acquire a 100% interest in certain claims comprising the Salt Wells Lithium Project (the "Salt Wells Property") located in Nevada, USA. Pursuant to the Option Agreement, the Company was obligated to pay USD $255 per claim for initial filing fees (paid $26,666 (USD $19,125)) and will pay a further USD $167 per claim annually. The Company paid $nil during the six months ended January 31, 2021 and $11,210 (USD $8,337) during the year ended July 31, 2020. The Company was also obligated to complete an exploration development program with a first-year work requirement of USD $60,000 and a second-year work requirement of USD $80,000. As of January 31, 2021, the Company's exploration expenditures have met the work requirements and the Company has made the required annual filing fee payments.

The Salt Wells Property is subject to a 4.5% Net Smelter Return as payable to the Vendor, 1.5% of which the Company shall have the right to buy back from the vendor within 90 days of the property going into production for USD $500,000, and an additional 1.5% of which the Company shall have the right to buy back from the Vendor within 180 days of the property going into production for USD $1,250,000. Furthermore, a cash payment of USD $250,000 is payable to the vendor upon the property attaining commercial production.

During the six months ended January 31, 2021, the Company incurred $nil (six months ended January 31, 2020 - $23,247) in exploration expenditures.

As at January 31, 2021 and July 31, 2020, the Company has a deposit of $19,142 (USD$14,977) towards a reclamation bond held with the Bureau of Land Management of Nevada.

5. LIQUIDITY AND CAPITAL RESOURCES

a) Liquidity

Since incorporation, the Company's capital resources have been limited. The Company has had to rely upon the sale of equity securities for the cash required for property acquisition payments, office and miscellaneous expenses and accounting, audit and legal fees, among other expenses.

During the year ended July 31, 2020 the Company raised $2,000,000 through the issuance of 5,000,000 common shares at $0.40. In conjunction with the issuance, the Company paid $34,950 in finder's fees for net proceeds of $1,965,050.

During the six months ended January 31, 2021, the Company did not raise any capital through capital issuance.

The Company expects that its cash position of $1,955,583 as at January 31, 2021 will be sufficient for the Company to become operational to begin meeting its objectives and milestones. Once the Company is operational, it will require additional working capital to increase its growth rate and may seek to raise additional funds via one or more private placements.

b) Capital Resources

As at January 31, 2021, the Company's share capital was $3,826,947 (July 31, 2020 - $3,826,947) representing 25,083,000 issued and outstanding common shares without par value (July 31, 2020 - 25,083,000).

Under the escrow agreement dated January 19, 2018, 10% of the escrowed common shares were to be released from escrow on the date of listing on the CSE. Subsequent to listing (June 12, 2018), an additional 15% were to be released every six months over a thirty-six month period. As at January 31, 2021, a total of 1,170,000 shares were held in escrow (July 31, 2020 – 2,340,000).

There were no equity or stock option transactions during the six months ended January 31, 2021. In February 2021, 400,000 stock options were exercised at a price of $0.10 per share.

6. TRANSACTIONS WITH RELATED PARTIES

During the six months ended January 31, 2021 and 2020, the Company paid the following amounts to directors and officers of the Company, including $10 in non-cash share-based compensation expense to directors for the six months ended January 31, 2020:

	Three months ended January 31,		Six months ended January 31,	
	2021	2020	**2021**	2020
	$	$	**$**	$
Consulting fees	**67,500**	55,000	**158,500**	70,000
Directors fees	**14,000**	-	**22,000**	5
Professional fees	**-**	-	**11,550**	-
	81,500	55,000	**192,050**	70,005

Amounts due to or from related parties are unsecured and non-interest bearing and measured at the amount of consideration established and agreed to by the related parties. To follow are the amounts due to or from related parties as at January 31, 2021 and 2020 are July 31, 2020 included in accounts payable as follows:

	January 31, 2021	July 31, 2020
	$	$
Due to directors and officers of the Company, net	**23,460**	22,000

7. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements at January 31, 2021 and to the date of this MD&A.

8. CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

<u>Estimated useful life of property and equipment</u>

The estimated useful life of property and equipment, which is included in the consolidated statements of financial position, will impact the amount and timing of the related amortization included in profit or loss.

<u>Share-based compensation (stock options)</u>

The fair value of stock options issued are subject to the limitations of the Black-Scholes Option Pricing Model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes Option Pricing Model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

Recovery of deferred tax assets

The Company estimates the expected manner and timing of the realization or settlement of the carrying value of its assets and liabilities and applies the tax rates that are enacted or substantively enacted on the estimated dates of realization or settlement.

Environmental rehabilitation obligation

The Company recognizes statutory, contractual or other legal obligations related to the retirement of its exploration and evaluation assets and its tangible long-lived assets when such obligations are incurred, if a reasonable estimate of fair value can be made. These obligations are measured initially at fair value and the resulting costs are capitalized to the carrying value of the related asset. In subsequent periods, the liability is adjusted for any changes in the amount or timing and for the discounting of the underlying future cash flows. The capitalized asset retirement cost is amortized to operations over the life of the asset.

a) Critical accounting judgements

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification / allocation of expenditures as exploration and evaluation expenditures or operating expenses.

9. SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies are described in Note 3 of the audited financial statements for the years ended July 31, 2020 and 2020, as found on SEDAR at www.sedar.com.

a) New accounting standard effective August 1, 2019

IFRS 16 – Leases was issued in January 2016 and is effective for periods beginning on or after January 1, 2019. It provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The adoption of the standard had no impact on the financial statements as the Company has no leases that meet the criteria for recognition.

b) Recent accounting pronouncements

Certain other accounting pronouncements were issued but the Company anticipates that the application of these standards, amendments and interpretations in future periods will have no material impact on the results and financial position of the Company except for additional disclosures. The Company is assessing the impact of the new or revised IFRS standards on its financial position and financial performance.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks.

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments consist of cash and cash equivalents, receivables, accounts payables and convertible debenture. The carrying values of these financial instruments approximate their respective fair values due to the term of these instruments.

As at January 31, 2020, the fair value of cash held by the Company was based on level 1 inputs of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

The Company's primary exposure to credit risk is its cash and cash equivalents of $1,955,583 at January 31, 2021 (July 31, 2020 - $2,384,496). With cash on deposit with reputable financial institutions, it is management's opinion that the Company is not exposed to significant credit risks arising from its financial instruments.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. As at January 31, 2021, the Company has current liabilities totaling $53,955 (July 31, 2020 - $106,406) and cash and cash equivalents of $1,955,583 (July 31, 2020 - $2,384,496) and is not exposed to significant liquidity risk at this time. However, since the Company is in the exploration stage, it will periodically have to raise funds to continue operations and intends to raise further financing through private placements.

Market risk

Market risk is the risk that changes in market prices such as commodity prices, foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposure within acceptable parameters. The Company does not use derivative instruments to reduce its insignificant exposure to market risks.

11. OUTSTANDING SHARE DATA

The Company's authorized capital is unlimited common shares without par value. As of the date of this MD&A the following common shares, options and share purchase warrants were outstanding:

As at January 31, 2021	Number issued and outstanding
Common Shares	25,483,000
Stock Options	2,025,000
Fully Diluted	27,508,000

12. APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this MD&A on March 15, 2021.

13. ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com.

Head Office and Operations

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LISTINGS
CSE: AJN
Frankfurt: 5AT

CAPITALIZATION
(as at March 15, 2021)
Shares Issued: 25,483,000

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