This Management's Discussion and Analysis ("MD&A") prepared as at January 28, 2019, reviews the financial condition and results of operations of Delrey Metals Corp. ("Delrey" or the "Company") for the three and nine month periods ended November 30, 2018 and all other material events up to the date of this report. The following discussion should be read in conjunction with the Company's February 28, 2018 annual audited financial statements and related notes together with the Management's Discussion and Analysis and the unaudited condensed interim financial statements and related notes for the nine month period ended November 30, 2018.

The financial data included in the discussion provided in this report has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC"). All dollar amounts are in Canadian dollars, unless otherwise noted.

The Company's certifying officers are responsible for ensuring that the unaudited condensed interim financial statements and MD&A do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Company's officers certify that the unaudited condensed interim financial statements and MD&A fairly present, in all material respects, the financial condition, results of operations and cash flows, of the Company as the date hereof.

DESCRIPTION AND OVERVIEW OF BUSINESS

The Company was incorporated on October 18, 2017 under the Business Corporations Act of British Columbia. The Company's head office is located at 800 – 885 West Georgia Street, Vancouver, BC.

The Company's common shares were listed on the Canadian Securities Exchange on October 22, 2018, and will began trading on October 24, 2018, under the symbol "DLRY".

The principal business of the Company is the identification and evaluation of assets or a business with a view to completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company will be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the Company's statement of financial position.

PERFORMANCE SUMMARY AND SUBSEQUENT EVENTS

During the period ended November 30, 2018, the Company:

- granted 2,388,000 stock options to various officers, directors, and consultants valued at $448,650 using the Black-Scholes Option Pricing Model. Each option entitles the holder to purchase a common share of the Company at a price of $0.25 for a period of five years from grant;

- closed its initial public offering ("IPO) by issuing 7,500,000 common shares at a price of $0.20 per common share for gross proceeds of $1,500,000. In conjunction with the IPO, the Company paid total cash commissions of $135,000 and granted an aggregate of 675,000 agents' options, each of which entitles the holder thereof to purchase one common share of the Company at a price of $0.20 per common share for a period of 24 months from the date of issuance. The Company incurred additional closing and legal fees of $134,565;

- completed a private placement by issuing 3,600,000 common shares at a price of $0.075 per common share for gross proceeds for $270,000; and

- issued 666,667 common shares with a fair value of $0.075 per common share, for a total value of $50,000, in connection with the Sunset Mining Property agreement.

Subsequent to the period ended November 30, 2018, the Company:

- entered into and closed a share exchange agreement with BC Vanadium Corp. ("BCVC"), a private arm's length corporation, to acquire all of the issued and outstanding shares capital of BCVC. Pursuant to the terms of the Share Exchange Agreement, the Company issued 5,500,000 common shares of the Company, valued at $1,595,000, and repaid debt of $10,000 owed to a creditor of BCVC. BCVC owns a 100 percent undivided, unencumbered legal and beneficial interest in both the Star and the Porcher Vanadium properties, located in northwestern British Columbia; and

- entered into and closed a share exchange agreement with WEM Western Energy Metals Ltd. ("WEM"), a private arm's length corporation, to acquire all of the issued and outstanding shares capital of WEM. Pursuant to the terms of the Share Exchange Agreement, the Company issued 4,250,000 common shares of the Company, valued at $1,041,250, and repaid debt of $10,000 owed to a creditor of WEM. WEM owns a 100-per-cent undivided, unencumbered legal and beneficial interest in both the Peneece and the Blackie vanadium properties, located in British Columbia.

EXPLORATION AND EVALUATION ASSETS

Sunset Mining Property, British Columbia

On November 7, 2017, the Company entered into an agreement, whereby it will have the right to earn a 100% interest in the Sunset Property consisting of four mineral claims.

The Company will earn a 100% interest in the Property subject to a 2% Net Smelter Royalty, by completing $1,000,000 in exploration, making cash payments of $15,000 (paid) and issuing 666,667 common shares (issued during the period ended November 30, 2018 with a deemed fair value of $50,000) of the Company to the optionor.

The Company will incur $1,000,000 of exploration on the property as follows:

By September 30, 2018	$	100,000	*(completed during the period ended November 30, 2018)*
By June 30, 2019		200,000	
By June 30, 2020		700,000	
	$	1,000,000	

A continuity of the Company's expenditures on the Sunset Mining Property is as follows:

		November 28, 2018		February 28, 2018
Acquisition Costs				
Opening Balance	$	15,000	$	-
Additions (Notes 6 and 7)		50,000		15,000
Closing Balance		65,000		15,000
Exploration Costs				
Opening Balance		3,000		-
Field Personnel		59,000		-
Sampling		21,182		-
Supplies and other		2,615		3,000
Travel and meals		17,698		-
Closing Balance		103,495		3,000
Total	$	168,495	$	18,000

Vanadium Properties, British Columbia

In December 2018, by way of acquisition of two arm's-length private companies, the Company acquired 100% rights to four vanadium properties in British Columbia: Star, Porcher, Peenece, and Blackie. The Star and Porcher properties comprise a total area of 6,740 hectares and are located on tidewater near the small logging community of Oona River on Porcher Island. The Peenece and Blackie properties comprise a total area of 2,714 hectares and are located on tidewater near the small coastal cities of Port Hardy and Prince Rupert, respectively.

The Company anticipates that exploration and evaluation work will commence on these properties late in the fiscal year ended February 28, 2019.

RESULTS OF OPERATIONS

During the nine-month period ended November 30, 2018, the Company incurred a loss of $749,740 (period from incorporation on October 18, 2017 to November 30, 2017 - $162). Significant expenditures include the following:

Consulting fees – increased to $76,000 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and represent corporate consulting fees in support of the Company as it proceeds with acquisition and exploration activities.

Investor relations fees – increased to $71,960 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil). As the Company has now become public, it has undergone investor relations and shareholder communications programs to promote and support healthy growth.

Management fees – increased to $35,500 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and represents fees paid to the Company's Chief Executive Officer and corporate secretary.

Office Costs – increased to $8,350 (period from incorporation on October 18, 2017 to November 30, 2017 - $143) and represent various general and administrative costs required in setting up and maintaining the Company's corporate head office.

Professional fees – increased to $59,084 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and relate primarily to accounting fees billed by the Company's former Chief Financial Officer and for corporate legal fees provided in support of the Company's public listing.

Rent – increased to $17,000 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) as the Company entered into a lease agreement for its corporate head office in Vancouver, BC during the current period.

Share-based payments – increased to $448,650 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and represent a non-recurring, non-cash expense related to the fair value of 2,388,000 stock options granted to various officers, directors, and consultants during the period ended November 30, 2018.

Transfer agent and filing fees – increased to $22,070 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and relate to fees incurred on its prospectus and public listing.

Travel and entertainment – increased to $8,583 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) and relate to expenditures required for business development and the identification of strategic acquisition targets.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes information derived from the Company's financial statements for all completed from incorporation:

	November 30, 2018	August 31, 2018	May 31, 2018	February 28. 2018
Total Assets	$ 1,849,823	$ 798,928	$ 601,508	$ 606,453
Shareholders' equity	1,846,673	780,665	567,670	597,328
Revenue	-	-	-	-
Comprehensive Loss	(613,067)	(57,015)	(79,658)	(19,321)
Basic and diluted loss per share	(0.03)	(0.00)	(0.01)	(0.00)

	Period from incorporation on October 18, 2017 to November 30, 2017
Total Assets	$ 112,538
Shareholders' equity	112,338
Revenue	-
Comprehensive Loss	(162)
Basic and diluted loss per share	(162.00)

LIQUIDITY AND CAPITAL RESOURCES

The Company has not generated any cash flow from operations. Delrey's financial success relies on management's ability find economically recoverable reserves in its exploration and evaluation asset.

In order to finance the acquisition of assets or a business and corporate overhead, the Company will be dependent on investor sentiment remaining positive towards the junior companies, and towards Delrey Metals Corp.in particular, so that funds can be raised through the sale of the Company's securities. Many factors have an influence on investor sentiment, including a positive climate from investors to support junior exploration companies, a company's track record and the experience and calibre of a company's management. There is no certainty that equity funding will be available at the times and in the amounts required to fund the Company's activities. Note 1 of the Company's 2018 audited financial statements further discusses the going concern issue. The financial statements do not include any adjustments that might result from these uncertainties.

The Company plans on financing its continued activities through equity financings. It is anticipated as general sentiment towards junior exploration companies remains positive, the Company can raise the necessary capital to secure and finance the acquisition of assets or a business.

Debt financing has not been used to fund asset and business acquisitions; the Company has no current plans to use such financing. There are no other sources of financing that have been arranged by the Company.

The Company's working capital for the period ended November 30, 2018 was $1,669,198 compared to a working capital of $579,328 as at February 28, 2018. The increase can be attributed the private placement for gross proceeds of $270,000 on the issuance of 3,600,000 common shares during the current period along with the IPO for gross proceeds of $1,500,000 on the issuance of 7,500,000 common shares.

Cash and Financial Conditions

The Company had a cash balance of $1,552,754 as at November 30, 2018 compared to a cash balance of $562,418 as at February 28, 2018.

Operating activities: The Company used $425,011 in operations for the nine-month period ended November 30, 2018 (period from incorporation on October 18, 2017 to November 30, 2017 – generated proceeds of $38).

Investing activities: The Company used $110,088 in investing activities for the nine-month period ended November 30, 2018 (period from incorporation on October 18, 2017 to November 30, 2017 - $nil) primarily related to expenditures on furniture and fixtures and computer equipment of $9,593 to furnish the Company's head office and $100,495 in exploration and evaluation activities on the Company's Sunset property.

Financing activities: The Company generated $1,525,565 from financing activities during the nine-month period ended November 30, 2018 (period from incorporation on October 18, 2017 to November 30, 2017 - $112,500). Proceeds included a total of $1,770,000 generated from the IPO and private placements, less share issuance costs of $244,595. During the comparative period, the Company generated funds through subscriptions received in advance.

SECURITIES OUTSTANDING

As at the date of this MD&A the Company has 33,726,605 (November 30, 2018 – 23,882,668) common shares outstanding, and 2,969,063 (November 30, 2018 – 3,063,000) stock options outstanding. As at the date of this MD&A and November 30, 2018, the Company did not have any warrants outstanding.

OUTLOOK

It is anticipated that in the continued and foreseeable future, Delrey will rely on the equity markets to meet its financing needs. Should cash flow build through its business operations, the Company will be in a position to finance other initiatives from cash flow.

Without continued external funding to pursue and finance any business opportunities, there is substantial doubt as to the Company's ability to operate as a going concern. Although Delrey has been successful in raising funds to date, there can be no assurance that additional funding will be available in the future.

Management and the Board of Directors continuously review and examine business proposals for the Company and conduct their due diligence in respect of the same.

OFF-BALANCE SHEET ARRANGEMENTS

At the date of this report, the Company had no off-balance sheet arrangements.

TRANSACTIONS WITH RELATED PARTIES

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors, the Chief Executive Officer, and Chief Financial Officer.

	Management fees	Accounting fees	Consulting fees	Share-based payments	Total
Chief Executive Officer(1)	$ 81,549	$ -	$ -	$ 37,575	$ 119,124
Former Chief Financial Officer	-	15,000	-	4,697	19,697
Non-executive directors	-	-	5,000	80,150	80,180
	$ 81,549	$ 15,000	$ 5,000	$ 117,422	$ 218,971

(1) Management fees include $49,049 in financing fees included in share issuance costs.

There were no key management personnel payments for the comparative period ended November 30, 2017.

As at November 30, 2018, $200 was included in trade payable and accrued liabilities for fees owed to related parties and $10,500 was included in prepaid expenses for amounts prepaid to related parties for December 2018 management fees.

The terms of the Sunset Property agreement included a property option payment of $9,000 to Michael Blady, an optionor of the property and a director of the Company.

Under the terms of the agreements, the Company issued 300,000 common shares of the Company to Michael Blady on April 1, 2018.

PROPOSED TRANSACTIONS

There are currently no proposed asset or business acquisitions or dispositions, other than those in the ordinary course of business before the board of directors for consideration.

CRITICAL ACCOUNTING ESTIMATES

Delrey Metals Corp. prepares its financial statements in accordance with International Financial Reporting Standard ("IFRS") and requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the useful lives of capital assets, reserves used in calculating depletion, accretion and ceiling tests, the assumptions used in determining the fair value of asset retirement costs and the assumptions used in determining the fair value of non-cash stock-based compensation. Due to the inherent uncertainty involved with making such estimates, actual results reported in future years could differ from these estimates.

RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended February 28, 2018 except for the adoption of IFRS 9 as discussed below.

We have adopted the new IFRS pronouncement for financial instruments as at March 1, 2018, in accordance with the transitional provisions outlined in the respective standard and described below. The adoption of the new IFRS pronouncement has not resulted in adjustments in previously reported figures and no change to the opening deficit balance as at March 1, 2018, under the IFRS 9 transition provisions.

Overview of Changes in IFRS 9

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement (IAS 39).

Under IFRS 9, on initial recognition, a financial asset or liability is classified at amortized cost or at fair value (either through other comprehensive income ("FVOCI") or profit or loss ("FVPL").

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income (FVOCI).

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Classification and Measurement Changes

We have assessed the classification and measurement of our financial assets and financial liabilities under IFRS 9 and have summarized the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 in the following table:

	Measurement Category	
	Original (IAS 39)	New (IFRS 9)
Financial Assets:		
Cash and cash equivalents	FVPL	FVPL
Receivables	Amortized cost	Amortized cost
Reclamation deposit	Amortized cost	Amortized cost
Financial Liabilities:		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost

There has been no change in the measurement categories, carrying values or to previously reported figures of our financial instruments. The adoption of the Standard did not have a significant impact on the financial statements.

Impairment of financial assets

An 'expected credit loss' impairment model applies which 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 or 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 Company has determined that the application of IFRS 9's impairment requirements as at March 1, 2018 does not result in any additional impairment allowances.

New standards not yet adopted

Certain pronouncements were issued by the IASB or IFRIC that are mandatory for accounting periods beginning after March 1, 2019. They have not been early adopted in these condensed interim financial statements. In all cases the Company intends to apply these standards from application date as indicated below:

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

FINANCIAL INSTRUMENTS AND RELATED RISKS

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgement and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- 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).

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

The carrying value of receivables, reclamation bond, and accounts payable and accrued liabilities approximates fair value due to the short term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is carried at fair value through profit or loss. Receivables, reclamation bond, and accounts payable and accrued liabilities are carried at amortized cost.

Risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss of a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and reclamation bond are held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of Goods and Services Tax receivable from the government of Canada and the Company considers credit risk associated with these amounts to be low.

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 manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates included in cash as they are generally held with large financial institutions. As at November 30, 2018, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

FINANCIAL INSTRUMENTS

The fair value of the Company's amounts receivable, accounts payable and accrued liabilities, due to a related parties and loans approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short terms to maturity. The Company's cash is measured at fair value, under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this document includes forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Delrey Metals Corp.'s control, including but not limited to: general economic and business conditions, information included or implied in the various independently produced and published technical reports; cash flow projections; currency fluctuations; commodity price fluctuations; risks relating to our ability to obtain adequate financing for future activities; risks related to government regulations, including environmental regulations and other general market and industry conditions as well as those factors discussed in each management discussion and analysis, available on SEDAR at www.sedar.com.

Although Delrey Metals Corp. has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Delrey's actual results, programs and financial position could differ materially from those expressed in or implied by these forward-looking statements and accordingly, no assurance can be given that the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits Delrey will derive from them. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and as such, undue reliance should not be placed on forward-looking statements.

The Company believes that the expectations reflected in these forward looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and as such forward looking statements contained into this report should not be relied upon. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward looking statements contained in this report. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to assumptions about general business and economic conditions, the availability of financing for the Company, the ability to attract and retain skilled staff and the ability to identify and secure a quality asset or a business with a view of completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this MD&A. The Company will update forward-looking statements and information if and when, and to the extent required by applicable securities laws. Readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

ADDITIONAL SOURCES OF INFORMATION

Additional information relating to Delrey Metals Corp. can be found on the SEDAR website at www.sedar.com.