This Management Discussion & Analysis ("MD&A") is provided to enable the reader to assess the financial condition and results of operations of Lions Bay Mining Corp. ("Lions Bay" or the "Company") for the nine months ended July 31, 2019.

This MD&A should be read in conjunction with the unaudited condensed interim financial statements for the nine months ended July 31, 2019 and the audited financial statements for the period ended October 31, 2018, prepared in accordance with international financial reporting standards ("IFRS") as issued by the international accounting standards board ("IASB"). This MD&A complements and supplements but does not form part of the company's condensed interim financial statements.

This MD&A contains forward-looking statements. Statements regarding the adequacy of cash resources to carry out the company's exploration programs or the need for future financing are forward-looking statements. All forward-looking statements, including those not specifically identified herein, are made subject to cautionary language on page 10. Readers are advised to refer to the cautionary language when reading any forward-looking statements.

This MD&A is prepared in conformity with National Instrument 51-102F1. All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise. This MD&A has taken into account information available up to and including September 30, 2019.

## BUSINESS OVERVIEW

The Company is a precious metals exploration company currently focused on North American assets which include the Company's current interest in the Fish Lake Project.

On July 19, 2018, the Board of Directors of Bearing Lithium Corp. ("Bearing") approved a statutory arrangement (the "Arrangement") where it distributed the shares of the Company to the shareholders of Bearing on the basis of 0.049921 of Lions Bay shares for each common share of Bearing they own. The arrangement resulted in participating shareholders of Bearing holding, immediately following completion of the arrangement, 50% of the outstanding common shares in proportion to their holdings of common shares of the Company and Bearing holding the remaining 50%.

Prior to the distribution, Bearing transferred to the Company, its interest in 81 lode claims (the "Fish Lake Project") located in Fish Lake Valley, central-western Nevada as well as the Bearing's interest in four additional mineral properties located in the Yukon, Canada.

The Company plans to focus on maintaining its existing assets and acquiring one additional precious metal asset in the next year. The Company will need additional funding in the near future through either equity or debt financing to acquire new projects and further develop its existing assets. Many factors influence the Company's ability to raise funds, including the health of the capital market, the climate for mineral exploration investment and the Company's track record. Actual funding requirements may vary from those planned due to a number of factors, including the funding of new projects. Management is approaching all identifiable sources of equity capital, but there is no guarantee that the Company will be able to secure additional financings in the future at terms that are favourable.

## HIGHLIGHTS

- Effective November 20, 2018, the Company's shares began trading on the Canadian Securities Exchange (the "CSE") under the symbol "LBM"
- On November 21, the Company closed a non-brokered private placement and issued 5,000,000 common shares and 5,000,000 share purchase warrants for total proceeds of $500,000.
- On March 18, 2019 the Company issued Golden Predator Mining Corp. notice to correct its failure to make the required $100,000 payment as required under the Yukon property option agreement.
- On April 2, 2019, the Company announced the termination of the property purchase agreement entered into with Golden Predator Mining Corp.

**MINERAL PROPERTIES**

The company currently retains 5 mineral properties, with 4 in the Yukon Canada and 1 in Nevada. The Yukon properties include the, HY Jay, VM, VBA and Big properties and the Nevada property is located at Fish Lake in Esmeralda County.

*The Fish Lake Project*

The Fish Lake Project ("Fish Lake") comprises 81 mineral claims covering approximately 1620 acres. Bearing acquired a 100% free and clear interest in the claims by quit claim deed on April 5, 2017 in return for a cash payment of $60,000 and 1,400,000 common shares. On May 2, 2018, Bearing entered into the Option Agreement with American Battery Metals Corp. (formerly First Division Ventures Inc.) ("American Battery Metals") whereby American Battery Metals has the option to acquire a 50% interest in the Fish Lake. Bearing transferred its right in the Fish Lake and the Option Agreement to the Company under the Asset Purchase Agreement.

Pursuant to the Option Agreement, in order to exercise its option, American Battery Metals was required to make a cash payment in the initial amount of $20,000 and issue 20,000 common shares to the Company (both of which have been completed), and thereafter issue an additional 3,000,000 common shares to the Company on or before September 25, 2020. American Battery Metals must incur an aggregate of $1,500,000 in exploration expenditures on the Fish Lake Project as follows: (a) $60,000 on or before September 25, 2018 (incurred); (b) $440,000 on or before September 25, 2019; and (c) $1,000,000 on or before September 25, 2020. If American Battery Metals exercises the Option, the Company and American Battery Metals will form a joint venture on terms to be negotiated by the parties.

Fish Lake is located in Esmeralda County, Nevada approximately 170 miles northwest of Las Vegas, Nevada; 45 miles west-north-west of the county seat at Goldfield, Nevada and approximately 50 miles west-south-west of Tonopah, Nevada, the major commercial center for the region. The Fish Lake Project mining claims are in T. 1 S., R. 36 E., Secs. 25, 26, 35 and 36; T. 1 S., R. 37 E., Secs. 29, 30, 31 and 32; T. 2 S., R. 36 E., Sec. 1 and T. 2 S., R. 37 E., Sec. 6, MDBM. The claims cover the valley with the Mineral Ridge Mine Road and ridges and valleys to the west.

Initial mapping and sampling on the Fish Lake showed values to 600 ppm lithium in mudstones. Common geochemical values in mudstones are 5 to 40 ppm, so the anomalous results suggest the same process may have operated there.

As of May 31, 2019, American Battery Metal's exploration expenditures on the Fish Lake Project totaled $266,006. Those expenditures cover mapping, sampling and a geophysical survey. Mapping confirmed that the claims covered mostly Tertiary basin sediments. A total of 130 samples were collected during American Battery Metals mapping. Values up to 370 ppm lithium confirm the conclusion from the Octagon sampling that the geologic process resulting in high lithium values in fine sediments operated at the Fish Lake Project claim area.

Having shown that claystone is on the property and that enriched lithium values occur in that rock package, a CSAMT/MT survey optimized drill hole siting. Four traverses cross favorable stratigraphy and along an existing jeep road. A 1,000 foot deep drill hole would be a reasonable test of the Tertiary claystone sedimentary section. Drilling by conventional rotary or reverse circulation would be most time and budget effective.

*HY and Jay Property Yukon Territory*

The Company has a 100% interest in the HY and Jay claims, subject to a 2% NSR on a portion of the Hy claims. Work to date on the HY-Jay property by Bearing and previous owners has outlined three areas of anomalous gold in rock and soil at the Zig Zag, East Ridge and West zones. The East Ridge and West zones are highlighted by 0.9-kilometre- and 1.4-kilometre-long gold and arsenic soil geochemical anomalies. Of 298 rock grab samples collected from the property 26 returned values greater than 1 gram per tonne Grab sample 73723 collected in 1997 from the West zone returned 144.1 g/t gold (Bearing news releases of Nov. 24, 2011, and Dec. 12, 2011). The 2011 discovery of the Zig Zag gold zone returned significant gold assays from grab samples of quartz-arsenopyrite vein material collected from a large field of metasediment and phyllite subcrop and float boulders. Grab samples are selective by nature and are unlikely to represent average grades of sampling on the entire property.

Golden Predator Mining Corp. ("Golden Predator") and the Company are parties to a mineral property purchase agreement pursuant to which Golden Predator agreed to purchase all of the Company's undivided interest in certain mineral claims in the Yukon Territory for total cash payments in the amount of $275,000, payable over a 48-month period from the execution date of the agreement. In addition, Golden will issue shares according to the following schedule:

i. 35,000 common shares on date of execution with a fair value of $21,700 (received by Bearing);
ii. 50,000 common shares 8 months after date of execution with a fair value of $44,000 (received by Bearing);
iii. Common shares equal to $100,000 on the 26-month anniversary of the execution date;
iv. Common shares equal to $250,000 on the 32-month anniversary of the execution date; and
v. Common shares equal to $250,000 on the 48-month anniversary of the execution date.

As part of the plan of Arrangement between the Company and Bearing, related to the acquisition by the Company of the Yukon properties, the Company will be the beneficiary of any further amounts paid by Golden as well as any share issuance as stated in the agreement.

Under the terms of the agreement, Golden will also grant to the Company a 2% NSR on certain claims and a 1% NSR on the remaining claims. Golden has the right to re-purchase 50% of the NSR for $1,000,000 at any time.

Golden was given formal notice on March 18, 2019 and had 30 days to cure the breach or the Company would consider the purchase agreement terminated. On April 2, 2019, the Company announced that it has terminated the property purchase agreement entered into with Golden Predator Mining Corp.

## RESULTS OF OPERATIONS AND SELECTED FINANCIAL DATA

The Company was incorporated April 25, 2018 and has completed four quarters of operations.

During the three months ended July 31, 2019, the Company incurred a net and comprehensive loss of $37,822 which primarily related to activity involved with regulatory and financial reporting requirements. The net loss for the three months includes $13,500 of management and consulting fees and $14,074 of professional fees for work related to general management and administrative matters. In the prior year, there were nil management and consulting fees and $20,000 of professional fees.

During the nine months ended July 31, 2019, the Company incurred a net and comprehensive loss of $162,219 which primarily related to activity involved with the CSE listing, regulatory and financial reporting requirements. The net loss for the nine months includes $61,431 of management and consulting fees and $59,067 of professional fees for work related to taking the company public, general management and administrative matters. In the prior year, there were nil management and consulting fees and $20,000 of professional fees.

The Company expects short term operational spending to be focused around general administration, regulatory costs and further development of its business plan which may include analysis acquisitions opportunities.

## SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected financial information from the Company's unaudited financial statements for the last five quarters:

| Quarter Ended | Total Revenues | Net Loss | Basic and Diluted Loss per Share |
|---|---|---|---|
| July 31, 2019 | - | $ 37,814 | $ 0.00 |
| April 30, 2019 | - | $ 58,953 | $ 0.01 |
| January 31, 2019 | - | $ 65,444 | $ 0.01 |
| October 31, 2018 | - | $ 125,259 | $ 0.05 |
| July 31, 2018 | - | $ 35,967 | $ 0.05 |

The net loss decreased by $59,815 from the quarter ended October 31, 2018 to the quarter ended January 31, 2019 due to a decrease in management and consulting fees and professional fees related to the Arrangement and the Company working towards a listing on a public stock exchange. The net loss decreased by $6,491 from the quarter ended January 31, 2019 to the quarter ended April 30, 2019 due to a reduction in professional fees related to the year-end audit. The net loss decreased by $21,139 from the quarter ended April 30, 2019 to the quarter ended July 31, 2019 due to a reduction in transfer agent and management and consulting fees related to regulatory requirements.

**OUTSTANDING SHARE DATA**

On November 21, 2018, the Company issued 5,000,000 units for total proceeds of $500,000. Each unit consists of one common share and one share purchase warrant exercisable for a period of two years at an exercise price of $0.10 per share. The Company issued 122,100 brokers' warrants which are exercisable for a period of two years at an exercise price of $0.10 per share.

As at September 30, 2019, the Company had:

- 10,727,428 common shares issued and outstanding (July 31, 2019 - 10,785,000)
- 358,498 stock options issued and outstanding (July 31, 2019 – 359,746)
- 5,097,100 warrants outstanding (July 31, 2019 – 5,097,100)

**SUBSEQUENT EVENTS**

As a result of the Arrangement with Bearing, the Company issued 191,446 stock options ("Bearing Options") which would be exercised concurrently with the exercise of the related Bearing stock option from under which the entitlement was granted. In August 2019 25,000 Bearing Options were exercised which triggered 1,248 Company shares to be issued.

Subsequent to July 31, 2019, as a result of the Arrangement (note 1), the Company cancelled and returned to treasury 58,820 common shares, which related to the cancellation of Bearing shares from under which the original Company shares were issued. Following completion of a merger between Li3 Energy Inc. ("Li3") and Bearing on September 28, 2017 the Li3 shareholders had two years to exchange their shares. As of September 28, 2019, any former shareholders of Li3 who did not exchange their shares, ceased to have any entitlement to common shares of Bearing and the related Lions Bay Mining common shares.

**LIQUIDITY AND CAPITAL RESOURCES**

At July 31, 2019, the Company had cash of $261,435 (October 31, 2018 - $15,649) and a working capital surplus of $183,010 (October 31, 2018 – deficiency of $150,921). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties cast doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company's management has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs if required in the future.

**RELATED PARTY TRANSACTIONS**

The Company and Bearing, a current shareholder and former parent company, entered into an Arrangement described above. The Arrangement provides for the transfer from Bearing of $75,004, in mineral property interest to the Company and the immediate distribution of a controlling interest in the common shares of the Company to the shareholders of Bearing as at July 19, 2018. The shareholders of Bearing, at the completion of the Arrangement, continued to collectively own the interest in Bearing's assets, albeit through an altered corporate structure. The Company and Bearing also have directors and officers in common. During the nine months ended July 31, 2019 the company issued additional shares and Bearing's ownership decreased to 25.5%. As at July 31, 2019 the Company was indebted to Bearing for a total of $Nil (October 31, 2018 - $115,060).

Key management consists of the Officers and Directors who are responsible for planning, directing and controlling the activities of the Company. For the nine months ended July 31, 2019, the following expenses were incurred to the Company's key management:

| | Three months ended July 31, 2019 | Nine months ended July 31, 2019 | Period from April 25, 2018 (incorporation) to July 31, 2018 |
|---|---|---|---|
| Management and consulting fees | $ 13,500 | $ 40,500 | $ - |
| Share-based compensation | - | - | 9,618 |
| | **$ 13,500** | **$ 40,500** | **$ 9,618** |

i. During the nine months ended July 31, 2019, the Company accrued $27,000 in consulting fees for management services owing to Jeremy Poirier, the Chief Executive Officer of the Company. As of July 31, 2019, the Company has included in its accounts payable and accrued liabilities $30,000 (October 31, 2018 - $6,000) due to Jeremy Poirier.
ii. During the nine months ended July 31, 2019, the Company accrued $13,500 in consulting fees for consulting services owing to Benjamin Asuncion, a Director of the Company. As of July 31, 2019, the Company has included in its accounts payable and accrued liabilities $16,500 (October 31, 2018 - $3,000) due to Benjamin Asuncion.

**FINANCIAL INSTRUMENTS**

*Fair value*

As at July 31, 2019, the Company's financial instruments consist of cash and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 13, Fair Value Measurement, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable market data.

The fair value of cash and marketable securities are based on Level 1 inputs. There are no financial instruments subject to level 2 or level 3 fair value measurements

The Company's financial assets and liabilities recorded at fair value as of July 31, 2019 and October 31, 2018 were calculated as follows:

| | July 31, 2019 | | October 31, 2018 | |
|---|---|---|---|---|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets** | | | | |
| *Loans and receivables:* | | | | |
| Cash | $ 261,435 | $ 261,435 | $ 15,649 | $ 15,649 |
| **Total financial assets** | $ 261,435 | $ 261,435 | $ 15,649 | $ 15,649 |
| | | | | |
| **Financial liabilities** | | | | |
| *At amortized cost:* | | | | |
| Accounts payable | $ 29,384 | $ 29,384 | $ 3,874 | $ 3,874 |
| Due to related party | - | - | 115,060 | 115,060 |
| **Total financial liabilities** | $ 29,384 | $ 29,384 | $ 118,934 | $ 118,934 |

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

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. The functional and reporting currency of the Company is the Canadian dollar. The Company is not exposed to significant foreign exchange risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. The does not have significant exposure to credit risk.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at July 31, 2019, the Company is not exposed to significant interest rate risk.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date.

As of July 31, 2019, the Company had cash of $261,435 and accounts payable and accrued liabilities of $91,584. The Company's accounts payable and accrued liabilities are due within 90 days. The amounts due to related party are due on demand. The Company addresses its liquidity through debt and equity financing obtained through the sale of common shares and the exercise of warrants and options. There is no assurance that it will be able to do so in the future.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements for the period ended July 31, 2019.

## PROPOSED TRANSACTIONS

There are no proposed transactions.

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the Condensed Interim Financial Statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying condensed interim financial statements.

## RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and is exposed to a number of operational, financial, regulatory and other risks and uncertainties that are typical in the natural resource industry and common to other companies in the exploration and development stage. These risks may not be the only risks faced by the Company. Additional risks and uncertainties not presently known by the Company or which are presently considered immaterial could adversely impact the Company's business, results of operations, and financial performance in future periods.

***Limited Operating History***

The Company has not yet commenced operations and therefore has no history of earnings or of a return on investment, and there is no assurance that certain of its royalty or streaming interests or other assets will generate earnings, operate profitably or provide a return on investment in the future. The likelihood of success of the Company must also be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Company's proposed business strategies incorporate its management's best analysis of potential markets, opportunities and difficulties that it may face. No assurance can be given that the underlying assumptions will be achieved.

The Company has never paid a dividend and, while it currently intends to seek to pay dividends in the future, has no current plans to pay dividends. The future dividend policy of the Company will be determined by the Company's Board. The ability of the Company to raise capital, satisfy its obligations and provide a return to its shareholders will be dependent on future performance.

***Disclosure Controls and Internal Control Financial Reporting***

Disclosure controls and procedures are designed to provide reasonable assurance that material information is gathered and reported to senior management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to permit timely decisions regarding public disclosure.

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Canadian Securities Administrators do not require any certification on the effectiveness of these controls at this time.

***NI 43-101 Compliance Requirements***

Under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), if an issuer discloses in writing scientific or technical information about a mineral project on a property material to the issuer, the issuer must include in the written disclosure the name and the relationship to the issuer of the qualified person who: (a) prepared or supervised the preparation of the information that forms the basis for the written disclosure or (b) approved the written disclosure. For the purposes of this MD&A, William Feyerabend, PGeo, a geologist with more than 30 years of experience is the Qualified Person for the purposes of NI 43-101 has approved the written disclosure in this MD&A. This MD&A references a number of previous new releases in respect of disclosure of technical matters relating to mineral properties and reference should be made to these news releases to fully understand these references.

***Government Laws, Regulation & Permitting***
Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licenses and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

***Additional Financings***
The Company expects to be substantially dependent upon the equity and debt capital markets or alternative sources of funding to pursue additional investments. There can be no assurance that such financing will be available to the Company on acceptable terms or at all.

Additional equity or debt financings may significantly dilute shareholders, increase the Company's leverage or require the Company to grant security over its assets. If the Company is unable to obtain such financing, it may not be able to expand its portfolio of royalty or streaming assets and may not be able to execute on its business strategy. If the Company is unable to obtain financing for additional investments, it may determine to allocate income, if any, from other investments to finance additional investments.

There is no assurance that the Company will be successful in raising sufficient funds to meet its obligations or to complete all of the currently proposed exploration programs. If the Company does not raise the necessary capital to meet its obligations under current contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts.

***Key Management and Competition***
The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

While employment agreements are customarily used as a primary method of retaining the services of key employees, these agreements cannot assure the continued services of such employees. Any loss of the services of such individuals could have a material adverse effect on the Company's business, operating results or financial condition.

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects for mineral exploration in the future.

***Title to Properties***
Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Company cannot give any assurance that title to such properties will not be challenged or impugned.

***Commodity Prices***

Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

***Conflicts of Interest***

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with the laws of British Columbia, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

***Market Price and Listing of the Company's Shares***

The Company has applied to have the Common Shares listed and posted for trading on the CSE. The listing of the Common Shares will be subject to the satisfaction of all of the CSE's initial listing requirements. If the Company receives final approval for listing the Common Shares on the CSE, there is no assurance that it will maintain such listing on the CSE or a listing on any other exchange or quotation service. There can be no assurance that an active trading market will develop or be sustained for the Common Shares. Shareholders may not be able to resell the Common Shares received pursuant to the Arrangement, which may affect the pricing of the Common Shares in the secondary market, the transparency and availability of trading prices and the liquidity of the Common Shares. If an active or liquid market for the Common Shares fails to develop or be sustained, the price at which the Common Shares trade may be adversely affected.

An investment in the Company's securities is highly speculative, due to the high-risk nature of its business, lack of diversification and the present stage of its development. Shareholders of the Company may lose their entire investment.

If the Common Shares are publicly traded, the market price of the Common Shares may be affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments and the breadth of the public market for its shares. The effect of these and other factors on the market price of the Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of the Common Shares.

***Global Financial Conditions may be Volatile***

Market events and conditions, including the disruptions in the international credit markets and other financial systems, in China, Japan and Europe, along with political instability in the Middle East and Russia and falling currency prices expressed in United States dollars have resulted in commodity prices remaining volatile. These conditions have also caused a loss of confidence in global credit markets, excluding the United States, resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, tighter regulations, less liquidity, widening credit spreads, less price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks and investment banks, insurers and other financial institutions caused the broader credit markets to be volatile and interest rates to remain at historical lows. These events are illustrative of the effect that events beyond the Company's control may have on commodity prices, demand for metals, including gold and silver, availability of credit, investor confidence, and general financial market liquidity, all of which may adversely affect the Company's business. Global financial conditions have always been subject to volatility. Access to public financing has been negatively impacted by sovereign debt concerns in Europe and emerging markets, as well as concerns over global growth rates and conditions. These and other factors may impact the ability of the Company to obtain equity or debt financing in the future and, if obtained, the favourability of the terms of such financing to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the price of the Common Shares.

***The Company will be Reliant on Third Party Reporting***

The Company relies, and will rely, on public disclosure and other information regarding the properties in which it has an interest that it receives from the owners, operators and independent experts of such operations. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate the properties, as well as those who review and assess the geological and engineering information. In addition, the Company must rely on the accuracy and timeliness of the public disclosure and other information it receives from the owners and operators of the properties, and uses such information in its analyses, forecasts and assessments relating to its own business and to prepare its disclosure with respect to its streams and royalties. If the information provided by such third parties to the Company contains material inaccuracies or omissions, the Company's disclosure may be inaccurate and its ability to accurately forecast or achieve its stated objectives may be materially impaired, which may have a material adverse effect on the Company.

## FORWARD-LOOKING INFORMATION OR STATEMENTS AND CAUTIONARY FACTORS THAT MAY AFFECT FUTURE RESULTS

Certain statements contained in the following MD&A constitute forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements may include statements regarding work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

It is the Company's policies that all forward-looking statements are based on the Company's beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are as of June 26, 2019 and are subject to change after this date, and the Company assumes no obligation to publicly update or revise the statements to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Company's forward-looking statements. In addition, any forward-looking statements represent the Company's estimates only as of the date of this MD&A and should not be relied upon as representing the Company's estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Company's existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Company, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Company's expectations. Readers should not place undue reliance on the Company's forward-looking statements, as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.

Actual results or events could differ materially from the plans, intentions and expectations expressed or implied in any forward-looking information or statements, including the underlying assumptions thereto, as a result of numerous risks, uncertainties and factors including: the possibility that opportunities will arise that require more cash than the Company has or can reasonably obtain; dependence on key personnel; dependence on corporate collaborations; potential delays; uncertainties related to eventual realization of value from a mineral property; uncertainties as to fluctuation of the stock market; uncertainty of estimates of capital and operating costs; the need to obtain additional financing and uncertainty as to the availability and terms of future financing; uncertainties as to fluctuations in currency exchange rates and the possibility of unanticipated costs or expenses or cost overruns; and other risks and uncertainties which may not be described herein. The Company has no policy for updating forward looking information beyond the procedures required under applicable securities laws.

**APPROVAL**

The Company's Board of Directors has approved the Company's condensed interim financial statements for the nine months ended July 31, 2019. The Company's Board of Directors has also approved the disclosures contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it and is available on www.sedar.com.

Vancouver, BC

September 30, 2019