Mich Resources Ltd.

Management's Discussion and Analysis
of Financial Condition and Results of Operations
First Quarter – February 28, 2022

The following discussion is management's assessment and analysis of the results and financial condition of Mich Resources Ltd. (the "Company"), and should be read in conjunction with the accompanying unaudited condensed interim consolidated financial statements and related notes. The preparation of financial data is in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34") using accounting policies consistent with International Financial Reporting Standards ("IFRS") and all figures are reported in Canadian dollars unless otherwise indicated.

Certain information included in this discussion may constitute forward looking statements. Forward looking statements are based on current expectations and entail various risks and uncertainties. These risks and uncertainties could cause or contribute to actual results that are materially different from those expressed or implied.

The effective date of this report is April 29, 2022.

Description of Business

The Company is incorporated and domiciled in Canada under the Business Corporations Act (British Columbia), and its registered office is 25th Floor, 700 West Georgia Street, Vancouver, BC, V7Y 1C3. The Company's common shares are listed on the Canadian Securities Exchange ("CSE") under the trading symbol "MICH" effective June 19, 2019.

The Company is principally engaged in the acquisition and exploration of mineral properties.

In January 2022, the Company appointed David Suda as President and Chief Executive Officer of the Company and appointed David Stone as Chief Operating Officer of the Company. In March 2021, the Company appointed Szascha Lim as a director of the Company.

In June 2021, the Company completed a non-brokered private placement of 8,875,600 common shares at a price of $0.25 per common share for gross proceeds of $2,218,900.

Reverse Takeover Transaction

The Company is currently in negotiation with various funding groups. Terms of the Transaction as described below are likely to change as a result of these discussions.

On November 5, 2021, the Company and its wholly-owned subsidiary, 1328566 BC Ltd., entered into an Amalgamation Agreement with Pembrook Copper Corp. ("Pembrook"), whereby Pembrook and 1328566 BC Ltd. will amalgamate to form a wholly-owned subsidiary of the Company. Per the terms of the Amalgamation Agreement, the Company will pay to Pembrook total cash payments in the aggregate of USD $903,111 and issue 98,010,000 common shares to the former shareholders of Pembrook. Pembrook holds a 76% interest in Pecoy Sociedad Minera SAC ("Pecoy Sociedad"), which holds an interest in the Pecoy Property, located in Peru.

The Amalgamation Agreement will constitute a reverse take-over of the Company for accounting purposes (the "Transaction").

As provided for in the Amalgamation Agreement, the Company will issue 6,400,000 common shares to UMS Projects Limited Partnership in consideration for its services in connection with the Transaction. The Company will also issue an aggregate of 2,600,000 common shares to Fiore Management & Advisory Corp. and Winchester Securities Corp for corporate administration success fees.

At the same time, the Company will seek approval for the listing of the Company's shares on the TSX Venture Exchange (the "Exchange") and a concurrent voluntary delisting of the Company's shares on the CSE.

Completion of the Amalgamation Agreement is subject to a number of conditions, including but not limited to: (i) the approval of all regulatory bodies having jurisdiction in connection with the transaction (including Exchange approval); (ii) completion of a subscription receipt financing for minimum aggregate proceeds of $15,000,000; and (iii) approval of the shareholders of Pembrook, and if required, the Company's shareholders. There can be no assurance that the transaction will be completed as proposed or at all.

Upon completion of the Amalgamation Agreement, the resulting issuer will continue to carry on the business of the exploration and development of the Pecoy Property.

Also on November 5, 2021, the Company entered into a Stock Purchase Agreement with Minera Andina de Exploraciones SAA ("Minandex"), pursuant to which the Company will purchase Minandex's 99.8% interest in SMRL Rosita No. 1 de Arequita ("SMRL Rosita"). Per the terms of the Stock Purchase Agreement, the Company will pay to Minandex USD $1,200,000 in cash and issue 22,990,000 common shares. SMRL Rosita holds an interest in the Arirahua Project and Real Property. The Company will furthermore pay US$168,394 (plus applicable Peru VAT) to Minandex within five business days of closing of the Transaction.

On January 1, 2022, the Company entered into a Share Purchase Agreement to acquire the remaining 24% interest in Pecoy Sociedad. As consideration for the interest in Pecoy Sociedad, the Company will pay USD $2,500,000 in cash and issue 11,220,000 common shares.

As at February 28, 2022, $636,497 of expenditures relating to the transactions have been recorded as deferred transaction costs on the statement of financial position (November 30, 2021: $480,220).

The Pecoy Project

The Pecoy Project is an advanced copper exploration project located 150 kilometres northwest of Arequipa, within the Cretaceous copper porphyry belt of Peru, host to the Zafranal copper porphyry (Teck Resources Ltd. and Mitsubishi Materials Corp.) located approximately 100 kilometres to the southeast of the Pecoy Project.

The Pecoy Project is located within the Peruvian coastal desert region which grades into the Atacama desert further south in Chile. Topography within the Pecoy Project area ranges from 800 metres at the Rio Ocona, to slightly more than 4,000 m at the highest ridges. Within the area of mineralization, the relief ranges from 1,650 m to 2,200 m. There is no infrastructure in the immediate project area, but water is available from the Rio Ocona delta some eight km to the west, and power is available from the national grid 100 km from site. The site also has excellent road access to a number of nearby seaports for shipping of concentrates.

The combined Pecoy Project area consists of approximately 13,300 hectares. Exploration on the property dates back to 2009, and consists of 48,500 m of diamond drilling in 121 drill holes completed by previous operators including Pembrook. The project database consists of 1,222 downhole surveys, and 23,210 assays. The average drill spacing is about 118 m in the main mineralized zone on the Pembrook property, and 80 m on the Minandex (Ocana) side. The project database also includes quality control data including blanks, standards and duplicates.

In 2018 Pembrook engaged Micon International ("Micon") to prepare a Canadian National Instrument 43-101-compliant technical report and mineral resource estimate; however, as a non-reporting issuer the report was never filed on SEDAR. The 2018 technical report considers two mining scenarios: the first being a pit constrained to the Pembrook-owned concessions only and excluding any resources on the adjacent land, and the second assuming the adjacent Minandex (Ocana) ground is available for pit expansion.

These assumptions led to two historical mineral resource estimates as shown in table 1 below.

Table 1
Historical Inferred Mineral Resource Estimates as reported by Mic

Scenario	k Tonnes[1]	Cu (%)	Mo(%)	Au (ppm)	A
Pembrook Only	473,000	0.33	0.012	0.03	
Pembrook/Ocaña	721,000	0.34	0.011	0.05	

Notes:
1 – above a cutoff of 0.25% Cu

The Micon estimate was prepared to CIM (May, 2014) standards for the reporting of mineral resources and in accordance with CIM Best Practice Guidelines. The mineral resources were estimated in a three-dimensional block model using commercial mine planning software. Resource classifications were assigned in accordance with CIM guidance.

The Company considers the Micon 2018 estimate to be a historical estimate since it was never filed on SEDAR. It should be noted that a qualified person has not done sufficient work to classify the historical estimate as current mineral resources, and the Company is not treating the historical estimate as current mineral resources.

The Company intends to verify the historical estimate and complete an updated technical report with current mineral resources prior to the closing of the Transaction. Verification of the Micon 2018 resource is expected to be straightforward as the core and pulps are available at the Pecoy Project, the drilling database is available along with original surveys and assay certificates.

The Pecoy Project to be acquired by the Company comprises all rights and title of the Pecoy Project currently held indirectly by Pembrook and Minandex. Additionally, Minandex is the owner of certain lands adjoining the Pecoy Project which will be optioned to the Company concurrently with the closing of the Transaction.

Overall Performance and Results of Operations

Total assets decreased to $2,092,337 at February 28, 2022 from $2,206,223 at November 30, 2021, primarily due to a decrease in cash of $273,196 partially offset by an increase of deferred transaction costs of $156,277. The most significant asset at February 28, 2022, was cash of $1,436,092 (November 30, 2021: $1,709,288). The change in cash during the three months ended February 28, 2022 was primarily the result of $116,919 used in operating activities, and $156,277 spent on the Transaction. As at February 28, 2022, $636,497 of expenditures relating to the Transaction have been recorded as deferred transaction costs on the statement of financial position (November 30, 2021: $480,220).

Three months ended February 28, 2022 and 2021

The Company recorded net loss and comprehensive loss of $108,992 for the three months ended February 28, 2022 (2021: $32,667). The increase in net loss and comprehensive loss for the period was primarily attributable to:

- Consulting and management of $86,349 (2021: $22,500): An increase of $63,849 was primarily due to compensation for the new CEO and COO of the Company.

Liquidity and Capital Resources

As at February 28, 2022, the Company had working capital of $1,338,856 (November 30, 2021: $1,604,125). The ability of the Company to continue as a going concern is dependent on obtaining additional financing through equity financing or obtaining joint venture or property sale agreements for one or more properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms that are acceptable to the Company.

In June 2021, the Company completed a non-brokered private placement of 8,875,600 common shares at a price of $0.25 per common share for gross proceeds of $2,218,900. Proceeds of the non-brokered private placement will be used for general administrative and working capital purposes.

Pursuant to the Transaction, the Company announced a subscription receipt financing for minimum aggregate proceeds of $15,000,000. There can be no assurance that the Financing will be completed as proposed or at all.

The Company has no bank debt or banking credit facilities in place.

Summary of Quarterly Results

The following tables summarize the Company's financial information for the last eight quarters in accordance with IFRS:

	Q1 2022	Q4 2021	Q3 2021	Q2 2021
Revenue	$ -	$ -	$ -	$ -
Net loss for the period	(108,992)	(27,004)	(48,856)	(47,419)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	Q1 2021	Q4 2020	Q3 2020	Q2 2020
Revenue	$ -	$ -	$ -	$ -
Net loss for the period	(32,667)	(348,947)	(30,791)	(68,435)
Basic and diluted loss per share	(0.00)	(0.01)	(0.00)	(0.00)

Loss for Q4 2020 increased due to share-based compensation of $317,114. Loss for Q1 2022 increased due to increased consulting and management fees.

Outstanding Share Data

As at February 28, 2022 and the date of this report, there were 42,976,602 common shares issued and outstanding, 2,175,000 share options and nil warrants outstanding and exercisable.

Related Party Transactions

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 and corporate officers.

During the three months ended February 28, 2022, the Company:

- Incurred consulting fees of $50,000 (2021: $nil) to the Chief Executive Officer of the Company.

- Incurred consulting fees of $6,349 (2021: $nil) to a company of which the Chief Operating Officer of the Company owns. As at February 28, 2022, $6,349 (November 30, 2021: $nil) is due to this company and included in amounts payable and accrued liabilities in the statements of financial position.

Critical Accounting Policies and Estimates

The Company has prepared the accompanying financial statements in accordance with IAS 34, using accounting policies consistent with IFRS. Significant accounting policies, except as described below, are described in Note 3 of the Company's financial statements as at and for the year ended November 30, 2021.

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Risks and Uncertainties

The Company currently has no revenues from operations. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company.

The Company is engaged in the acquisition of mineral properties, an inherently risky business, and there is no assurance that an economic mineral deposit will ever be discovered and subsequently put into production. Most exploration projects do not result in the discovery of commercially mineable ore deposits. The Company will seek to counter these risks to the extent possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits.

The following sets out the principal risks faced by the Company:

Financing
Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Critical accounting estimates
In the preparation of financial information, management makes judgments, estimates and assumptions that affect, amongst other things, the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of

its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value. Management's estimates of exploration, operating, capital and reclamation costs, if any, are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties.

Legal proceedings
As at the period-end and the date of this MD&A, there were no legal proceedings against or by the Company.

COVID-19 uncertainty
To the date of this MD&A, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. As at the date of this report, the Company has not been significantly impacted by the spread of COVID-19.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

Financial Instruments and Other Instruments

Financial Risk Management and Fair Value Measurement

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, amounts receivable (excluding sales tax), and amounts payable and accrued liabilities. The Company measures its cash, amounts receivable, and amounts payable at amortized cost.

The carrying amounts for cash, amounts receivable, and amounts payable and accrued liabilities, approximate fair values due to the immediate or short-term maturities of these financial instruments.

Financial Instrument Risk Exposure

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

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on cash and amounts receivable. The Company reduces its credit risk on cash by maintaining its bank account with a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of its cash.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. At February 28, 2022, the Company had working capital of $1,338,856.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) *Interest Rate Risk*

   The Company is nominally exposed to interest rate risk. The Company's cash earns interest at variable rates. The Company's future earned interest is exposed to short-term rate fluctuations. Interest rate exposure is considered to be insignificant.

b) *Foreign Currency Risk*

   The Company is not exposed to currency risk as all transactions are denominated in Canadian dollars.

c) *Price Risk*

   The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Fair value

IFRS establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value 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 of 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 are classified and subsequently measured as follows:

Account	Classification
Cash	Amortized cost
Accounts Payable and accrued liabilities	Amortized cost

Management's Report on Internal Control over Financial Reporting

In connection with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings) adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the unaudited condensed interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

Outlook

The Company is currently working towards closing the Transaction.

Additional information relating to the Company and the Transaction are available on SEDAR at www.sedar.com.