ZincX Resources Corp.

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2019

1.1 Date

This Management Discussion and Analysis ("MD&A") of ZincX Resources Corp. (the "Company" or "ZincX") has been prepared by management as of October 16, 2019 and should be read in conjunction with the consolidated audited financial statements and related notes thereto of the Company for the years ended June 30, 2019 and 2018, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC").

The Company is presently a "Venture Issuer", as defined in NI 51-102. Effective May 7, 2018, the Company changed its name from Canada Zinc Metals Corp. to ZincX Resources Corp. and commenced trading its shares on the TSX Venture Exchange ("TSX-V") under the new name and symbol ZNX.

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the issuer, including potential business or mineral property acquisitions and negotiation and closing of future financings. The issuer has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect" and similar expressions.

These forward-looking statements include statements regarding the success of exploration activities, permitting timelines, the requirements of future capital, drill results and the estimation of mineral resources and reserves. These statements involve known and unknown risks, uncertainties and other factors including but not limited to changes in commodity prices and, particularly, zinc prices, access to skilled personnel, results of exploration and development activities, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements contained into this report should not be unduly relied upon. The statements reflect the current beliefs of the management of the Company and are based on currently available information. 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. Readers should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur.

1.2 Overall Performance

The Company was incorporated under the laws of the Province of British Columbia on February 10, 1988. The Company operates in one business segment, that being the exploration and development of mineral properties in Canada. As at the date hereof, the Company has mining interests in properties located in British Columbia.

Significant events and operating highlights for the year ended June 30, 2019 and up to the date of these MD&A:

Exploration Programs

2019 Akie Drill Program

The Company completed a 4 HQ diameter diamond drill program totalling 2,347 metres that targeted the Cardiac Creek deposit. A total of 480 samples were collected and submitted for geochemical analysis as part of this program. All results have been received. All holes successfully tested the Cardiac Creek Zone and intersected thick intervals of sphalerite-galena-barite mineralization. Details from this year's program are briefly summarised below.

2018 Akie Drill Program

The 2018 diamond drill exploration program comprised 5 drill holes totalling 2,013 metres that tested several targets on the Akie property including the Sitka massive barite showing, the North Lead Zone, and the southeastern edge of the Cardiac Creek deposit. A brief summary of the program is described below.

Preliminary Economic Assessment (PEA)

In June 2018, the Company announced the completion of a PEA and filed a technical report prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") for its 100-per-cent-owned zinc-lead-silver Cardiac Creek deposit, located on the Akie property. The technical report, authored by JDS Energy & Mining Inc. of Vancouver, B.C., can be found under ZincX's issuer profile on Sedar (www.sedar.com) and on the Company's website (www.zincxresources.com).

The PEA indicates that the Akie project is potentially economically viable and technically feasible and, in management's opinion, is a significant step in advancing Cardiac Creek deposit to a production decision. The positive results outlined in the PEA demonstrate a robust, stand-alone base metal project with a large and potentially growing resource base, all-season access, good regional rail and road infrastructure, and amenable to conventional mining and milling practices common to similar projects. This project has significant exposure to zinc given the almost 10 to 1 zinc to lead ratio in payable metal production over life of mine.

Financing and other activities

- In November and December 2018, the Company completed two consecutive flow-through private placements issuing an aggregate of 3,568,692 flow-through shares at a price of $0.39 per share for gross proceeds of $1,391,790. The Company paid cash finder's fees of $63,896 and regulatory filing fees of $10,213 in connection with the private placements. The proceeds from the private placements were used on exploration expenditures in calendar 2019.
- 142,500 stock options were exercised at a price of $0.25 per share by employees and consultants of the Company in July 2018 for total proceeds of $36,025.
- 220,000 share purchase warrants were exercised at a price of $0.55 per share in July 2018 for gross proceeds of $121,000. The warrants were granted under the December 2016 private placement and had an expiry date of December 15, 2018.
- 860,000 incentive stock options were granted to employees and consultants of the Company, exercisable at a price of $0.33 per common share for a period of eight years commencing on July 3, 2018. 240,000 incentive stock options were granted to consultants of the Company, exercisable at a price of $0.39 per common share before January 3, 2020.
- In July 2018, the Company received TSX-V approval for the renewal of its Normal Course Issuer Bid ("NCIB") to purchase at market price up to 8,287,534 common shares, being approximately 5% of the Company's issued and outstanding common shares, through the facilities of the TSX-V. The bid remained open until July 31, 2019 and has not been renewed after.
- In November 2018, Mr. Hu Xinfu, Vice-President of Tongling Nonferrous Metals Group Holdings Co. Ltd. ("Tongling"), was appointed to the Board of Directors of the Company as an independent director.
- At the Company's Annual General and Special Meeting ("AGSM"), shareholders voted to approve an amended and restated Stock Option Plan of the Company. The maximum number of common shares reserved for issuance under the amended plan was increased to 33,774,275 equal 20% of the issued and outstanding common shares as at December 13, 2018.

Akie Property, Kechika Trough District, BC (zinc, lead, silver)

The Company holds a 100% interest in the Akie Property, which is located approximately 260 kilometers north-northwest of the town of Mackenzie in northeastern British Columbia.

The Akie zinc-lead-silver property is situated within the Kechika Trough, the southernmost extension of the regionally extensive Paleozoic Selwyn Basin, one of the most prolific sedimentary basins in the world for the occurrence of sedimentary exhalative (SEDEX) zinc-lead-silver deposits and stratiform barite deposits. Drilling on the Akie property by the Company since 2005 has identified a significant body of baritic-zinc-lead SEDEX mineralization known as the Cardiac Creek deposit. The deposit is hosted by siliceous, carbonaceous, fine grained clastic rocks of the Middle to Late Devonian Gunsteel Formation.

The Company updated the estimate of mineral resources at Cardiac Creek in late 2017, which are summarized below:

5% zinc cut-off grade					Contained Metal		
Category	**Tonnes (million)**	**Zn (%)**	**Pb (%)**	**Ag (g/t)**	**Zn (B lbs)**	**Pb (B lbs)**	**Ag (M oz)**
Indicated	22.7	8.32	1.61	14.1	4.162	0.804	10.3
Inferred	7.5	7.04	1.24	12.0	1.169	0.205	2.9

Note: Mineral resources are not mineral reserves because the economic viability has not been demonstrated.

The updated mineral resource estimate was prepared by Robert Sim, P.Geo with the assistance of Bruce Davis, FAusIMM. Mr. Sim is an independent Qualified Person within the meaning of NI 43-101 for the purposes of mineral resource estimates and was responsible for the 2008 maiden resource and the 2012 and the 2016 updated mineral resource estimates.

The report, which contains the PEA results, is titled "NI 43-101 TECHNICAL REPORT AKIE PROJECT BRITISH COLUMBIA, CANADA" with an effective date of June 20, 2018 and report date of August 1, 2018 and can be found under the Company's profile at www.sedar.com and on the Company's website, www.zincxresources.com.

The PEA envisages a conventional underground mine and concentrator operation with a small environmental footprint measuring approximately 20 hectares in size upon start-up, expanding to approximately 35 hectares at closure. The mine will produce at an average production rate of 4,000 tonnes per day (tpd) principally from long-hole stoping. Much of the waste rock and majority of the mill tailings will be placed back underground as cemented backfill. The remainder of the filtered tailings will be stacked in a surface filtered tailings facility, located near the mill. The mine will have an 18-year life with potential to extend the life-of-mine through resource expansion at depth.

Economic Highlights of the PEA include:

- Estimated pre-tax $NPV_{7\%}$ of **$649M** ($401M after-tax)
- Estimated pre-tax **35% IRR** (27% after-tax)
- Estimated pre-tax **2.6 year payback** (3.2 year payback after-tax)
- PEA contemplates a **4,000 tonne per day** underground mine and **3,000 tonne per day** concentrator with an **18-year** mine life
- Total mine production of **25.8 million tonnes** of which **19.7 million tonnes** are processed
- Initial CAPEX (excluding contingency) estimated at **$256.7M;** total of **$302.3M** including **$45.7M** in contingency
- Payable metal production over life-of-mine is **3,268M lbs of zinc** & **362M lbs of lead**
- Average annual production of **178M lbs of payable zinc** and **20M lbs of payable lead** at an all-in operating cost of **$102.38/tonne milled**
- Total payable metal LOM is **$3,960M;** or **$201/tonne milled**
- Saleable zinc and lead concentrates with **no penalty elements** (**clean concentrate**)
- There are no net smelter royalties owed (**0% NSR**)

- **Opportunities** for **continued refinement** through additional studies including upgrading lead and silver recoveries and reducing operating costs
- The Cardiac Creek deposit remains **open at depth** with potential to **increase mine life**
- The Akie and Kechika Regional projects combined, offer **district-scale potential** for **new discoveries**

The Company will be working closely with its mining consultants and advisers to plot a course forward for the most cost-effective and efficient development of the Cardiac Creek deposit. The Company anticipates more detailed engineering assessments leading to a prefeasibility study.

2019 Diamond Drilling Program

The 2019 exploration program was designed to achieve a number of key objectives including: additional close spaced drill intersections within the current resource model, extend the high-grade core of the Cardiac Creek deposit, and collect geotechnical and structural data. To achieve these objectives, the Company completed 4 HQ diameter diamond drill holes totalling 2,347 metres. A total of 480 core samples were taken and submitted for lab analysis. A brief summary of each drill hole is provided below.

Drill Hole A-19-150 targeted the upper portion of the high-grade core along its southeastern edge. The Cardiac Creek zone was intersected at a downhole depth of 490.89 metres and continued in the zone until 537.14 metres representing a downhole thickness of approximately 46.25 metres. The zone is characterized by an abundance of thickly bedded, planar laminated sulphide beds with an increasing proportion of sphalerite and galena mineralisation downhole. An increase in the presence and development of “mottled” textured sulphide beds was noted below 502.31 metres which is generally indicative of higher-grade Zn and Pb mineralisation. The hole was completed to a depth of 563.00 metres within the calcareous siltstones of the Road River Group. A total of 86 samples, including industry standard QA/QC samples, were collected.

Drill hole A-19-151 targeted the lower portion of the high-grade core along its southeastern edge down dip of the pierce point obtained from hole A-19-150. A broad envelope of mineralisation was intersected from 560.00 metres to 608.80 metres representing a true width of 30.85 metres that returned 5.9% Zn+Pb and 9.7 g/t Ag. Within this envelope the Cardiac Creek Zone is present from 568.42 metres to 594.40 metres, grading 9.8% Zn+Pb and 15.5 g/t Ag over a true width of 16.37 metres. Higher-grade intervals are present including 10.74% Zn+Pb and 16.74 g/t Ag over a true width of 14.24 metres from 571.15 to 593.75 metres. The Footwall Zone was intersected below the Cardiac Creek Zone from 603.30 to 608.80 and returned 3.2% Zn+Pb and 5 g/t Ag over a true width of 3.51 metres.

The Cardiac Creek Zone is comprised of thickly bedded sulphides comprised of laminar pyrite interbanded with steel-grey sphalerite and galena. Higher grade mineralisation is associated with the “mottled” textured sphalerite with galena bands present within the laminar pyrite. This higher grade mineralisation occurs over a 15-metre downhole interval from 580.90 to 595.15 metres.

The Footwall Zone consists primarily of thick beds of laminar pyrite with a few steel grey sphalerite-rich bands displaying some localized mottling textures. A thin 1.30 metre silver rich pyritic massive sulphide lens underlies the deposit at a depth of 610.50 metres. The hole was completed to a depth of 617.00 metres within the calcareous siltstones of the Road River Group.

Drill Hole A-19-153 targeted the upper portion of the high-grade core of the deposit in an area up-dip of hole A-17-137 which was drilled and reported in 2017, and intersected a phenomenal intercept of 57.79 metres (true width) grading 11.79% Zn+Pb and 19.1 g/t Ag; including a high-grade core interval of 22.61% Zn+Pb and 36.2 g/t Ag over 15.44 metres (true width).

Drill Hole A-19-153 intersected the Cardiac Creek zone at a downhole depth of 453.93 metres continuing downhole to a depth of 507.23 metres representing a downhole thickness of approximately 53.34 metres. The zone is characterized by thickly bedded, laminar sulphide beds and frequent mottling (increasing downhole) with a decrease in pyrite and an increase in sphalerite laminations, in addition to barite, carbonate and quartz. Galena also appears in the mineralized zone as disseminations in mottled sections and in tension gashes. Mottling textures are seen frequently in beds throughout, increasing in proportion after 490 metres after which strong mottling textures occur until the end of section. Mottling textures are generally indicative of higher-grade Zn and Pb mineralisation. The hole was completed to a depth of 545.75 metres. A total of 166 samples, including industry standard QA/QC samples, were collected.

Drill hole A-19-154 targeted the upper portion of the high-grade core at its approximate center. The hole was successfully drilled from the footwall rocks and “up” into the zone.

Significant results from **A-19-150, A-19-151and A-19-153** are tabulated below.

Drill Hole	From (m)	To (m)	True Width (m)*	Zn (%)	Pb (%)	Ag (g/t)[I]	Zn+Pb (%)
A-19-150	480.75	537.14	38.18	6.14	1.15	10.78	7.29
CCZ	490.89	537.14	31.38	7.20	1.38	12.41	8.58
including	**502.31**	**537.14**	**23.68**	**8.40**	**1.64**	**13.97**	**10.04**
including	**502.31**	**518.45**	**10.94**	**10.85**	**2.23**	**16.87**	**13.08**
A-19-151	560.00	608.80	30.85	4.91	0.98	9.70	5.89
CCZ	568.42	594.40	16.37	8.10	1.67	15.45	9.77
including	**571.15**	**593.75**	**14.24**	**8.88**	**1.86**	**16.74**	**10.74**
including	**575.75**	**591.50**	**9.91**	**9.09**	**1.98**	**17.93**	**11.07**
FW	603.30	608.80	3.51	2.70	0.45	5.02	3.15
A-19-153	443.00	532.50	50.71	7.93	1.44	14.2	9.37
CCZ	**454.00**	**507.25**	**30.14**	**11.47**	**2.32**	**19.7**	**13.78**
including	**466.78**	**507.25**	**22.93**	**14.29**	**2.95**	**24.1**	**17.24**
including	**480.75**	**506.59**	**14.65**	**16.20**	**3.39**	**27.0**	**19.59**
including	**490.00**	**506.59**	**9.41**	**19.22**	**3.77**	**30.1**	**22.99**
FW	518.82	532.50	7.81	6.56	0.25	11.8	6.81

(*) The true width in metres is calculated utilising the Geovia GEMS software package. The orientation of the mineralised horizon is estimated to have an azimuth of 130 degrees and a dip of -70 degrees. (CCZ) = Cardiac Creek Zone; (HW) = Hangingwall Zone; (FW) = Footwall Zone; (MS) = Massive Sulphide. (Ɨ) Ag values below detection were given a value half of the detection limit for the purposes of weighted averaging.

2018 Akie drilling program

The 2018 diamond drill program comprised of 5 drill holes totalling 2,013 metres that tested several targets on the Akie property including the Sitka barite showing, the North Lead Zone, and the southeastern edge of the Cardiac Creek deposit.

Drilling on the Sitka showing intersected sphalerite-bearing vein mineralisation approximately 100 metres below surface. The best interval from hole DDH A-18-144 returned 3.7% Zn over a width of 3.50 metres from a downhole depth of 168.1 to 171.5 metres, including 11.1 % Zn over a width of 0.9 metres. A lower interval from hole DDH A-18-145 from 196.7 to 201.8 metres returned 3.8% Zn over a width of 5.1 metres, including 11.3% Zn over 1.0 meter.

Drilling on the North Lead Zone intersected extensive intervals of distal facies pyrite mineralisation that returned anomalous zinc results. The hole returned anomalous zinc values ranging from 0.1% to 0.43% Zn in numerous intervals over a combined thickness of 125 metres from a downhole depth of 300 to 483 metres.

The drilling along the southeastern strike extent of the Cardiac Creek deposit beyond the current limits of the resource model encountered proximal facies pyrite mineralisation from 507.94 to 514.94 metres that returned averaging 0.31% Zn over an apparent width of 7.04 metres.

Akie Underground Development

In August 2011, the Company received an underground drill permit from the BC government for the Akie project which will facilitate advanced exploration of the Cardiac Creek deposit by means of a close-spaced, infill drill definition program on the Cardiac Creek deposit.

The permit was originally set to expire December 2014 but has been extended to December 31, 2020. The Company continues to examine the costs associated with the planned underground exploration program and has yet to make a construction decision. Engineering and environmental studies will continue as required to maintain all related permits in good standing.

Kechika Regional Project

In addition to the Akie property, the Company has 100% ownership of a large contiguous group of mineral claims that aggregate to a total of 10 properties that cover 68,000 hectares. The mineral claims stretch a distance of 140 kilometres from the northern boundary of the Akie property to the northern reaches of the Gataga River. The properties cover the extent of the prospective Gunsteel Formation shale, the known host of SEDEX mineralization in the Kechika Trough.

Several properties within the Kechika Regional project host significant historical drill intercepts. Historical drilling on the Mt. Alcock property yielded a drill intercept of 8.8 metres grading 9.3% Zn+Pb and exploration identified and outlined numerous zinc-lead-barite occurrences and several base metal anomalies. Historical drilling on the Bear-Spa property returned several drill intercepts of >10 metres grading 2.53 to 2.96% combined Zn+Pb and up to 20.6 g/t Ag. There has been no modern follow-up exploration on many of the Kechika Regional properties.

In 2012, the Company filed separate NI 43-101 compliant technical reports for the Pie and Mt. Alcock properties authored by Tanya Strate, P. Geol an independent qualified person for the purposes of NI 43-101. These reports summarised the history of previous exploration, summarised the fieldwork conducted on each property in 2011, highlighted their prospectivity to host SEDEX Zn-Pb-Ag style mineralisation and made recommendations for further work. These reports can be found on SEDAR (www.sedar.com).

Pie Option Properties: Agreement with Teck and Korea Zinc

The Pie, Yuen and Cirque East properties (known as the “Pie Option properties”) are the subject of an option agreement (the “Option Agreement”) concluded on September 9, 2013 with Teck Resources Limited (“Teck”) and its JV partner, Korea Zinc Co., Ltd. ("Korea Zinc"). The Option Agreement provides Teck and Korea Zinc the option to spend up to $8.5 million to acquire up to 70% interest in the Pie Option properties.

From 2013 to 2016 Teck and Korea Zinc spent approximately $3.035 million in exploration expenditures on the Pie Option properties. On December 28, 2017, Teck and Korea Zinc served the First Exercise Notice to the Company confirming that they have incurred cumulative aggregate expenditures of $3,054,402 on the Pie Option properties since September 2013 and made a cash payment of $445,598 to the Company for the shortfall. Therefore, Teck and Korea Zinc have incurred total cumulative expenditures of $3,500,000, thereby exercising the First Option and earning a 51% interest in the Pie Option properties. The Company holds the title to the Pie Option properties in trust for the parties until Teck and Korea Zinc request ZincX Resources legally transfer its interest in the properties.

As per the Agreement, Teck and Korea Zinc could elect to earn an additional 19% interest in the Pie Option Properties by providing the Take-up Notice to the Company. On January 28, 2018 Teck informed the Company the JV partners would not be delivering the Take-up Notice and as such a Joint Venture has now be formed between the parties pursuant to the Agreement.

The Company and Teck/ Korea Zinc will jointly explore the Pie Properties on a 49-51 joint venture basis. Each party shall be liable for its pro-rata share of costs and liabilities in accordance with its interest in the JV. The Company holds the title to the Pie Properties in trust for the parties until Teck and Korea Zinc request Canada Zinc Metals legally transfer its interest in the properties. Discussions are ongoing for future exploration plans. Meanwhile the mineral claims are held in good standing by virtue of the exploration expenditures made on the contiguous Akie property.

The Akie and all related Kechika Trough claims, including the Pie Option property claims, are held in good standing through to October, 2028.

Summary of exploration expenditures incurred on various properties:

		Akie Property		Kechika Regional		Total
Acquisition Costs:						
Balance, June 30, 2017	$	24,165,241	$	336,785	**$**	**24,502,026**
Cash in lieu of expenditures		-		(144,017)		(144,017)
Balance, June 30, 2018 and 2019	$	24,165,241	$	192,768	**$**	**24,358,009**
Deferred exploration costs:						
Balance, June 30, 2017	$	41,626,608	$	4,642,426	**$**	**46,269,034**
Camp equipment, depreciation		80,421		–		80,421
Drilling		1,910,488		–		1,910,488
Geology		114,832		13,601		128,433
Metallurgical testing		133,394		–		133,394
Preliminary Economic Assessment		290,609		–		290,609
Road repair		75,104		–		75,104
Community consultations		221,687		–		221,687
Environmental studies and permit compliance		62,334		–		62,334
Cash in lieu of expenditures		–		(301,581)		(301,581)
METC recovered		(159,876)		–		(159,876)
Balance, June 30, 2018		44,355,601		4,354,446		**48,710,047**
Camp equipment, depreciation		68,032		–		68,032
Drilling		1,362,020		–		1,362,020
Geology		112,836		–		112,836
Geophysics		–		13,579		13,579
Preliminary Economic Assessment		29,524		–		29,524
Community consultations		151,562		–		151,562
Environmental studies and permit compliance		42,939		–		42,939
Balance, June 30, 2019	$	46,122,514	$	4,368,025	**$**	**50,490,539**
Total, June 30, 2018	**$**	**68,520,842**	**$**	**4,547,214**	**$**	**73,068,056**
Total, June 30, 2019	**$**	**70,287,755**	**$**	**4,560,793**	**$**	**74,848,548**

Exploration Objectives

Akie Project:

- Continue definition drilling to expand the known extent of the Cardiac Creek deposit; update the current geological and resource models to NI 43-101 standards with all new drill results. Continue to examine trade-off studies to enhance the PEA including additional metallurgical lab testing and targeted geotechnical data acquisition to improve understanding of mine design parameters used in the PEA.

- Continue to evaluate outlying coincident geological/geophysical/geochemical targets for drill target definition.
- Continue to refine the design and costs of the planned underground exploration program. The underground exploration permit remains in good standing until December 2020. The underground exploration program was conceived in order to allow tightly spaced infill drilling from an underground decline in order to upgrade the current mineral resource to the Indicated and Measured levels of confidence. This would provide sufficient data for a pre-feasibility level of economic assessment of the ore body to be completed and investigate future viability of bulk sampling and mining.
- Continue environmental baseline sampling as required to maintain all related exploration permits in good standing.

Kechika Regional Project:

- Continue regional synthesis of all historical and modern exploration data to assist with gap analysis and drill target definition.
- Complete follow-up assessment of airborne gravity anomalies from the 2015 geophysical survey on Mt. Alcock and Yuen North.
- Continue to evaluate high priority greenfield targets.
- Refine target selection to identify drill targets.

Kechika Regional Project (Pie Option Properties):

- Continue to work closely with Teck to review and advise on plans for ongoing exploration on the properties.
- Monitor field exploration results and expenditures and option agreement commitments.
- The next planned phase of exploration on the optioned properties is expected to include continued drill testing of the highest priority targets.

1.3 Selected Annual Information

The following is a summary of certain financial information concerning the Company for each of the last three most recently completed financial years.

	Years ended 2019		2018		2017
Interest and other income	$ 96,282	$	124,177	$	131,760
Net Loss	$ (1,655,602)	$	(1,818,983)	$	(2,027,313)
Loss per share	$ (0.01)	$	(0.01)	$	(0.01)
Total assets	$ 78,840,827	$	79,105,414	$	80,309,073
Total long-term liabilities	$ 1,608,000	$	1,613,000	$	1,603,000
Cash dividends declared per share for each class of share	$ Nil	$	Nil	$	Nil

1.4 Results of Operations

Years ended June 30, 2019 and 2018

During the year ended June 30, 2019, the Company reported a net loss of $1,655,602 or $0.01 per share compared to a loss before a comprehensive loss of $1,818,983 or $0.01 per share in fiscal 2018, a decrease in net loss of $163,381. The decrease in net loss was primarily a result of decreases in general and administrative expenses by $348,877 offset by an impairment allowance of $128,466 on the loan receivable, an adjustment for change in fair value of marketable securities of $15,275 and a decrease in a deferred income tax recovery of $13,860.

The Company's consolidated net loss for the year ended June 30, 2019 not factoring in non-cash transactions of share-based compensation expense, depreciation of office equipment and leasehold improvements, accrued flow-through taxes, impairment allowance on the loan, gain on sale of marketable securities, adjustment for change in fair value of marketable securities and deferred income tax recovery of flow-through liabilities, was $1,644,099 (2018 - $1,886,281), representing a decrease of $242,182.

Interest income and other items

Income reported for the year ended June 30, 2019 included interest income earned on the Company's cash deposits and short-term GIC investments of $93,390 (2018 - $105,782) and administration fees of $2,892 (2018 - $Nil) earned for the use of the Company's Akie camp facilities during the 2018 summer drilling program.

The impairment allowance of $128,466 (2018 - $Nil) was recognized against the amount of the loan receivable outstanding from August 2017 including the principal amount of $100,000 (2018 - $Nil) and accrued interest of $28,466 (2018 - $18,466), based on the management assessment of the credit risk on the loan.

The Company recognized a loss of $15,275 (2018 - $19,162) as a result of adjusting carrying value of its marketable securities to the reporting date market values.

The deferred tax recovery of $356,174 (2018 - $370,034) recognized during the year primarily resulted from partial amortization of the flow-through premium liabilities of $351,174 (2018 - $380,034) recorded in connection with the flow-through private placements.

During the year ended June 30, 2018, the Company realized a gain of $18,395 on sale of marketable securities for total proceeds of $58,525. There were no sales of marketable securities in fiscal 2019.

General and administration expenses

The following expense categories contributed to the decrease in operating expenses by $348,877 in fiscal 2019:

- Payment of bonuses in the amount $30,256 (2018 - $42,084) to a company with common directors and officers (please see section Transactions with Related Parties below);
- Consulting fees decreased by $197,377 as a result of reduced financial advisory services retained during the year;
- Director's fees decreased by $20,000 as there were no fees paid to the directors of the Company during the third and fourth quarters of fiscal 2019;
- Investor relations fees decreased by $3,354 as the Company reduced its expenses relating to press release dissemination services;
- Office and miscellaneous expenses decreased by $3,704 due to decreases in the Company's cost savings initiative;
- Professional fees decreased by $4,094 due to less corporate legal services retained during the year;
- Share-based compensation expenses decreased by $106,079 as there were fewer stock options granted during the year. In fiscal 2019, the Company granted an aggregate of 1,100,000 (2018 – 1,380,000) stock options to employees and consultants of the Company and recorded share-based compensation expense of $206,557 (2018 - $312,636) for the vested portion of the stock options granted using the fair value-based method of accounting.
- Travel and promotion decreased by $74,422 due to a decrease in promotional expenses of $62,013 and travel expenses of $12,409. The Company incurred higher travel and promotional expenses for participating in a number of mining investment forums and conferences in Asia and Europe in fiscal 2018.

There were no changes in management and administrative fees during the comparative years.

The above-noted decreases were partially offset by increases in the following categories:

- Marketing expenses increased by $57,386 as a result of advertising and marketing campaigns conducted in the fall of 2018;
- Flow-through taxes increased by $9,103 due to a timing difference in renouncing exploration expenditures in connection with the November-December 2018 flow-through private placements. When the Company uses the "look-back" rule to renounce exploration expenditures to investors before the Company actually incurs them, the Company is liable for the flow-through Part XII.6 tax;

- Regulatory fees increased by $8,699 for filing the Amended and Restated Stock Option Plan that was approved by the shareholders of the Company at its January 2019 AGM, under which the maximum number of common shares of the Company reserved for issuance under the stock option plan was increased from 20,557,283 to 33,774,275, or 20% of the issued and outstanding common shares as at December 13, 2018. No similar cost was incurred in fiscal 2018.

Three months ended June 30, 2019 and 2018

During the three months ended June 30, 2019, the Company reported a net loss of $198,073 or $0.00 per share compared to a loss of $485,643 or $0.00 per share during the same quarter in fiscal 2018, a decrease in net loss of $287,570. The decrease in net loss was primarily a result of a decrease in general and administrative expenses of $227,179 and an increase in the deferred tax recovery of $64,465.

During the three months ended June 30, 2019, total general and administration expenses were $342,786 compared to $569,965 during the same quarter in fiscal 2018, representing a decrease of $227,179.

The decrease in total general and administration expenses in the comparative quarters was primarily due to decreases in consulting fees of $119,908, directors' fees of $10,000, marketing expenses of $90,851, professional fees of $7,722, transfer agent fees of $1,741, travel and promotion of $6,238 and wages and benefits of $10,867, partially offset by decreases in flow-through taxes of $7,038 and regulatory fees of $15,406.

There were no significant variations in other operating expenses over the comparative quarters.

1.5 Summary of Quarterly Results

The following is a summary of certain consolidated financial information concerning the Company for each of the last eight reported quarters:

Quarter ended	Interest and other income	Net loss before comprehensive loss	Loss per share
June 30, 2019	$ 21,411	$ (198,073)	$ (0.00)
March 31, 2019	24,158	(303,841)	(0.00)
December 31, 2018	24,219	(436,736)	(0.00)
September 30, 2018	26,494	(716,952)	(0.01)
June 30, 2018	25,066	(485,643)	(0.00)
March 31, 2018	28,056	(652,936)	(0.01)
December 31, 2017	26,353	(555,023)	(0.00)
September 30, 2017	44,702	(125,381)	(0.00)

The lower loss reported for the quarter ended June 30, 2019 was a result of a deferred income tax recovery of $123,721 as a result of amortization of the flow-through premium liabilities recorded in connection with the 2018 flow-through private placements, as well as reduction in corporate advisory consulting fees, marketing expenses and travel and promotional expenses.

The increase in loss for the quarter ended September 30, 2018 was due to share-based compensation of $210,598 recorded for the 1,100,000 share options granted during the period, higher marketing expenses of $134,360, corporate advisory consulting of $130,643, travel and promotion expenses of $65,771 and impairment loss allowance of $120,986 recognized on the outstanding loan receivable based on the assessment of credit loss.

The increase in loss for the quarter ended March 31, 2018 was primarily due to share-based compensation of $309,506 recorded for the 1,380,000 share options granted to directors, officers and consultants of the Company during the period.

The lower loss reported for the quarter ended September 30, 2017 was a result of a deferred income tax recovery of $308,132 as a result of amortization of the flow-through premium liabilities recorded in connection with the April 2017 flow-through private placement.

1.6/1.7 Liquidity and Capital Resources

The Company's working capital position remains strong with its cash of $802,671 and GIC investments of $2,524,460 as at June 30, 2019. Management believes that the Company has sufficient funds to meet its current obligations as they become due and to fund its exploration projects and administrative overhead for the next twelve months.

At June 30, 2019, the Company reported working capital of $2,737,151 compared to $4,789,053 at June 30, 2018, representing a decrease in working capital of $2,051,902. The decrease in working capital was a result of general operating activities and exploration expenditures incurred during the year.

Net cash decreased by $346,209 from $1,148,880 at June 30, 2018 to $802,671 at June 30, 2019.

During the year ended June 30, 2019, the Company utilized its cash and cash equivalents as follows:

(a) the Company used $1,722,456 of its cash in operating activities compared to $1,867,550 in fiscal 2018;
(b) Exploration expenditures during the year were $1,633,645 compared to $3,053,762 in fiscal 2018;
(c) $Nil (2018 - $445,598) was received from Teck in lieu of exploration expenditures on the Pie Properties project required to be incurred to exercise the First Option pursuant to the Agreement;
(d) $Nil (2018 - $159,876) was in METC refund during the year for exploration expenditures incurred above the expenditures renounced to flow-through subscribers;
(e) $2,375 (2018 - $35,397) was used for the purchase of camp fixtures and office furniture;
(f) $Nil (2018 -$58,525) was generated on sale of marketable securities;
(g) the Company redeemed $1,496,233 (2018 - $Nil) of its GIC investments and received an aggregate interest of $41,329 (2018 - $70,062) on the redemption or maturity of its GICs;
(h) $1,391,790 (2018 - $1,521,773) in gross proceeds was raised through a private placement, all of which committed to flow-through agreements with investors. $74,109 (2018 - $100,903) in share issuance costs was paid in connection with the private placement;
(i) aggregate of 142,500 (2018 – 60,000) stock options were exercised by employees and consultants of the Company for total gross proceeds of $36,025 (2018 - $13,800);
(j) 220,000 (2018 – Nil) share purchase warrants were exercised for total gross proceeds of $121,000 (2018 - $Nil); and
(k) no common shares of the Company were repurchased under the NCIB during the year (2018 - $527,567).

The Company’s current assets excluding cash consisted of the following:

	June 30, 2019	June 30, 2018
Government Sales Tax credits	$ 32,155	$ 44,750
Interest accrued on reclamation deposits	634	421
Prepaid expenses	60,641	65,439
Loan receivable including interest	-	118,466
Marketable securities at fair value	41,875	57,150
GIC investments	2,524,460	4,004,314

As at June 30, 2019, the Company held a few GIC investments with the principal amounts of $2,500,000 and accrued interest of $24,460. The GIC investments yield average fixed interest rates of 2.23% and are fully redeemable.

Current liabilities as at June 30, 2019 consisted of trade payables and accrued liabilities of $483,840 (2018 - $417,914), which mainly consisted of exploration payables and were paid subsequent to June 30, 2019 and a flow-through premium liability of $241,445 (2018 - $232,453) recorded in connection with the November-December 2018 flow-through private placements. The flow-through premium liability does not represent cash liability to the Company and will be fully amortized by December 2019 after the Company incurs qualifying flow-through exploration expenditures of $1,391,790.

In early October 2019, the Company received a BC METC refund of $176,411 for exploration expenditures incurred in fiscal 2018 above the expenditures renounced to flow-through subscribers. The amount of the 2018 BC METC claim was not included in the statements of the financial position of the Company as at June 30, 2019 pending a review and approval by the tax authorities.

The other sources of funds potentially available to the Company are through the exercise of outstanding stock options. See Item 1.15 – Other Requirements – Summary of Outstanding Share Data. There can be no assurance, whatsoever, that any or all these outstanding exercisable securities will be exercised.

The Company has and may continue to have capital requirements in excess of its currently available resources. In the event the Company's plans change, its assumptions change or prove inaccurate, or its capital resources in addition to projected cash flow, if any, prove to be insufficient to fund its future operations, the Company may be required to seek additional financing. Although the Company has been successful in raising the above funds, there can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that additional financing will be available on terms acceptable to the Company in the future.

The Company's overall success will be affected by its current or future business activities. The Company is currently in the process of acquiring and exploring its interests in resource properties and has not yet determined whether these properties contain mineral deposits that are economically recoverable. The continued operations of the Company and the recoverability of expenditures incurred in these resource properties are dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, obtaining necessary financing to explore and develop the properties, and upon future profitable production or proceeds from disposition of the resource properties.

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

Credit Risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank deposits of $802,671 and short-term investments in GICs of $2,524,460. This risk is managed by using major Canadian banks that are high credit quality financial institutions as determined by rating agencies.

The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes and interest accrued on GIC investments.

The Company is exposed to higher credit risk on its loan receivable with the amortized balance of $128,466 as it is issued under unsecured promissory note. Based on the assessment of the credit risk on the loan, the Company recognized an impairment loss allowance on this amount.

Liquidity Risk
Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents. As at June 30, 2019, the Company was holding cash deposits of $802,671 to settle its current cash liabilities of $483,840. Management believes it has sufficient funds to meet its current obligations as they become due and to fund its exploration projects and administrative costs.

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. These fluctuations may be significant and the Company, has exposure to these risks.

Interest Rate Risk
The Company is exposed to interest rate risk as its bank treasury account and other assets earn interest income at variable rates. The effect of a 10% fluctuation in interest rates may result in an increase or decrease in net loss of $803.

Currency Risk
The Company operates in Canada and is therefore not exposed to significant foreign exchange risk arising from transactions denominated in a foreign currency.

Price risk
The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors certain commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company also maintains investments in certain marketable securities. There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of these securities.

1.8 Off-Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

1.9 Transactions with Related Parties

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management personnel comprise of the directors of the Company, executive and non-executive, and Vice President of Exploration.

The remuneration of the key management personnel during the years ended June 30, 2019 and 2018 were as follows:

		2019		2018
Bonuses (iii)	$	30,256	$	42,084
Consulting fees (iv)		15,000		15,000
Directors fees (ii)		20,000		40,000
Exploration and evaluation expenditures (geological consulting) (v)		153,760		150,000
Management fees (i)		354,000		354,000
Other employment benefits (vii)		30,625		29,335
Share-based compensation (vi)		–		3,130
Total	$	603,641	$	633,549

Transactions with key management and other related party transactions:

(i) Pursuant to a management and administrative services agreement amended effective July 1, 2011 and May 1, 2014 with Varshney Capital Corp. ("VCC"), "), a company with two common directors, Peeyush Varshney and Praveen Varshney, the Company agreed to pay monthly management and administrative fees of $29,500 and $5,000, respectively.

During the year ended June 30, 2019, the Company paid $354,000 (2018 – $354,000) for management fees and $60,000 (2018 – $60,000) for administrative fees to VCC;

(ii) the Company paid $20,000 (2018 - $40,000) in directors' fees to four directors of the Company - John Thomas, Marco Strub, Peeyush Varshney and Praveen Varshney;

(iii) the Company paid bonuses of $30,256 (2018 - $42,084) to VCC;

(iv) the Company paid $15,000 (2018 - $15,000) for consulting fees to Sircon AG, a company controlled by Marco Strub, a director of the Company ;

(v) the Company paid or accrued exploration and evaluation costs of $153,760 (2018 - $150,000) for geological consulting fees to Ridgeview Resources Ltd., a company controlled by Ken MacDonald, VP of Exploration of the Company, of which $137,860 (2018 - $115,750) was capitalized as exploration and evaluation costs and $15,900 (2018 - $34,250) was expensed as consulting fees;

(vi) share-based compensation is the fair value of share options that have been granted to directors and executive officers and the related compensation expense recognized over the vesting periods; and

(vii) other employment benefits included life insurance and health benefits for the CEO and health benefits for the CFO of the Company.

1.10 Fourth Quarter and Subsequent Events

During the fourth quarter ended June 30, 2019, the Company:

- commenced the 2019 diamond drilling program on its Akie Project, which was completed in August 2019 (please see section 1.2 Overall performance);
- accrued $40,000 for the fiscal 2019 year-end audit.

1.11 Proposed Transactions

The Company does not have any proposed transactions as at June 30, 2019 other than as disclosed elsewhere in this document.

1.12 Critical Accounting Estimates

Not applicable to venture issuers.

1.13 Changes in Accounting Policies including Initial Adoption

The financial information presented in this MD&A has been prepared in accordance with International Financial Reporting Standards. Our significant accounting policies are set out in Note 2 of the audited consolidated financial statements of the Company for the year ended June 30, 2019.

New standards and interpretations

Certain accounting standards or amendments to existing IFRS standards were effective as of June 1, 2017 and have been adopted by the Company. There was no impact on the financial statements as a result of the adoption of these standards, amendments and interpretations.

New standards and interpretations not yet adopted

IFRS 9 - Financial Instruments ("IFRS 9")

As at July 1, 2018, the Company adopted all of the requirements of IFRS 9, which replaced IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 utilizes a revised model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model.

As most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward in IFRS 9, so the Company's accounting policy with respect to financial liabilities is unchanged.

As a result of the adoption of IFRS 9, the Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. The Company completed a detailed assessment of its financial assets and liabilities as at July 1, 2018.

The main area of change is the accounting for marketable securities previously classified as available for sale. Upon the adoption of IFRS 9, the Company made an irrevocable election to classify marketable securities as fair value through profit and loss.

The Company adopted IFRS 9 retrospectively without restatement of comparative amounts resulting in a reclassification of $6,731 from accumulated other comprehensive loss ("AOCL") to deficit on July 1, 2018. Future changes in the fair value of these marketable securities will be recorded directly in profit or loss. No other differences of any significance have been noted in relation to the adoption of IFRS 9.

The following table shows the original classification under IAS 39 and the new classification under IFRS 9:

	Original classification IAS 39	*New classification IFRS 9*
Financial assets		
Cash	FVTPL	FVTPL
Receivables	Amortized cost	Amortized cost
Loan receivable	Amortized cost	Amortized cost
Marketable securities	Available for sale	FVTPL
Investment	FVTPL	FVTPL
Financial liabilities		
Trade payables and accrued liabilities	Amortised cost	Amortised cost

IFRS 15 – Revenue from Contracts with Customers ("IFRS 15")

On July 1, 2018, the Company adopted IFRS 15, which supersedes IAS 18 – Revenue ("IAS 18"). IFRS 15 establishes a single five-step model framework for determining the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is effective for annual periods beginning on or after January 1, 2018.

The Company is a junior mining exploration company and it currently does not generate any revenue from contracts with customers. Therefore, the adoption of this standard did not have any significant impact on the Company's consolidated financial statements.

IFRS 16 – Leases ("IFRS 16")

As at July 1, 2019, the Company adopted all of the requirements of IFRS 16 using the modified retrospective approach. The modified retrospective approach does not require restatement of prior period financial information and continues to be reported under IAS 17, Leases and IFRIC 4, Determining Whether an Arrangement Contains a Lease.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged.

The Company's leases consist of corporate office lease arrangements. On December 1, 2010, the Company entered into a sublease agreement with a company for a portion of the office premises located in Vancouver, BC for a period of 10 years, expiring November 30, 2020, in exchange for $5,000 per month plus applicable taxes. The sublease agreement was amended effective April 1, 2015 to increase the monthly rent rate to $7,500 per month plus tax.

The Company, on adoption of IFRS 16, recognized a lease liability in relation to its office lease, which had previously been classified as an operating lease under the principles of IAS 17. In relation, under the principles of the new standard this lease is measured as the lease liability at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at July 1, 2019.

The following table reconciles the Company's operating lease commitments at June 30, 2019 calculated over the remaining term of the lease on a straight-line basis to the lease liability recognized on adoption of IFRS 16 at July 1, 2019:

Lease commitments as at June 30, 2019	$	127,500
Effect of discounting (10% rate)		(9,078)
Lease liability as of July 1, 2019	$	118,422

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1.14 Financial Instruments and Other Instruments

The Company's financial instruments as at June 30, 2019 were as follows:

	Loans & receivables	*Fair Value through Profit or Loss*	*Other financial liabilities*
Financial assets			
Cash	$ –	$ 802,671	$ –
Receivables	634	–	–
Marketable securities	–	41,875	–
Investment	–	2,524,460	–
Financial liabilities			
Trade payables	–	–	413,182
	$ 634	$ 3,369,006	$ 413,182

Unless otherwise disclosed their carrying values approximate their fair values due to the short term nature of these instruments.

Please also see section 1.13 Changes in Accounting Policies including Initial Adoption of the MD&A and Note 2 of the audited consolidated financial statements of the Company for the year ended June 30, 2019.

1.15 Other Requirements

Summary of outstanding share data as at October 16, 2019:

(1) Authorized: Unlimited common shares without par value

(2)	Issued and outstanding	169,319,375
(3)	Stock options	10,120,000

Additional disclosures pertaining to the Company's technical report, management information circulars, material change reports, press releases and other information are available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors, thank you for your continued support.

"Peeyush Varshney"

Peeyush Varshney
Director