cascaderocopper

MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE QUARTER ENDED MAY 31, 2020

The following Management's Discussion and Analysis ("MD&A") is intended to assist the reader to assess material changes in financial position and results of operations of Cascadero Copper Corporation (the "Company" or "CCD") as at May 31, 2020 and should be read in conjunction with the Company's quarterly condensed interim consolidated financial statements and related notes attached hereto. The Company's condensed interim consolidated financial statements have been prepared in accordance with International Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The effective date of this report is September 10, 2020. All figures are presented in Canadian dollars, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans", "intends", "anticipates", "should", "estimates", "expects", "believes", "indicates", "suggests" and similar expressions.

This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning mineral resource estimates and the interpretation of drill results may also be considered as a forward-looking statement; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed.

It is important to note that:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of the effective date of this MD&A.

- Readers are cautioned not to place undue reliance on these 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. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements, include, but are not limited to, possible variations in mineral resources, labour disputes, operating or capital costs; availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms; failure of equipment or processes to operate as anticipated; and political, regulatory, environmental and other risks of the mining industry.

- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

For a description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this MD&A, please see "Risks and Uncertainties".

GENERAL

Cascadero Copper Corporation (the "Company" or "CCD") was incorporated pursuant to the Alberta Business Corporations Act on October 30th 2003 and continued into the Province of British Columbia on June 3rd, 2004. The Company is listed on the TSX Venture Exchange and trades under the symbol "CCD". The Company is engaged in the business of acquiring and exploring mineral properties located in Argentina. The Company is considered to be in the exploration stage. The Company's head office and principal address are located at #395, 901 West Third Street, North Vancouver, B.C. V7P3P9

Additional information related to the Company is available on its website at www.cascadero.com and on SEDAR at www.sedar.com.

DESCRIPTION OFBUSINESS

The Company is in the process of exploring and developing mineral properties and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for investment in joint venture and exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the exploration and evaluation assets, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets.

PERFORMANCE SUMMARY

Cascadero Copper Corporation operates in one jurisdiction: Argentina. On November 30, 2016, the Company and Regberg Ltd. ("Regberg") closed an agreement that enabled Regberg have a 30% beneficial interest in Cascadero Minerals Corporation ("CMC"), a wholly owned subsidiary of the Company. The Company has concluded that the Argentina Entities is a joint venture and the Company retained joint control in these entities, effective November 30, 2016. Subsequent to December 1, 2016, the Company has accounted for its interests in the Argentina Entities using the equity method on a 70/30 basis. During the quarter ended May 31, 2020 the Company's share of loss of the Argentina Entities was $30,263.

With effect on March 13, 2020, Regberg has, with the consent of the Company, transferred all of its shares in CMC to NB Projects Asia Pte. Ltd. (“NB Projects Asia”). CMC, the Company, Regberg and NB Projects Asia entered into an Assignment and Assumption Agreement dated March 13, 2020 pursuant to which NB Projects Asia has agreed to assume, be bound by, and discharge the obligations of Regberg under the CMC Shareholders’ Agreement.

On June 7, 2017, the Company signed an Option Agreement (the "Option Agreement") with Amarc Resources Ltd. ("Amarc"") that enabled Amarc to acquire a 100% interest in the Company's 49% interest in the Toodoggone property. In order to exercise the Option, Amarc made staged cash payments to the Company in the aggregate amount of $1 million and issued 5,097,778 common shares of Amarc with the aggregated value of $950,000. The Company recognized a gain on disposal of the Toodoggone property of $681,944 during the year ended November 30, 2017, and a further $958,333 during the year ended November 30, 2018.

To date, the Company has disposed of 4,313,000 Amarc shares and has 784,778 Amarc shares as at May 31, 2020

On December 2, 2019, the Company and its subsidiaries, CMC and Salta Geothermal S.A. ("SGSA"), entered into an Exploration and Development Earn-in Agreement (the "Earn-In Agreement") with Golden Minerals Company ("Golden"), a public company based in Golden, Colorado. Pursuant to the Earn-In Agreement, SGSA granted Golden the exclusive right to acquire a 51% ownership interest in the Sarita Este Concession by payment of:

- A non-refundable payment in cash of US$150,000 (received);
- Incurring a total of US$2.5 million of minimum work requirements for exploration and development expenditures; or
- By cash payments in lieu of annual work commitments, as follows: (1) US$300,000 in the second year, plus a 2,000-metrecore drilling program on the Concession; (2) US$500,000 in the third year; and (3) the balance of US$2.5 million by the end of the fourth year.

Golden has completed some technical work on the Sarita Este property as a start of the Earn-In agreement dated December 2, 2019. The work was divided into three stages; 1) initial data review and compilation, 2) Field observations, data collection, sample prep and submittal and 3) Data interpretation, data base organization.

In July 2020, the Company learned of an agreement dated September 3, 2015 with an Argentine drilling contractor, pursuant to which the Company agreed to pay up to a maximum amount of US$1 million (one million United States Dollars) in the event of the sale of part, or whole, of any of the mining concessions in the Company's Taca Taca Group. The Taca Taca Group, for the purposes of this agreement, consists primarily of (a) Sarita Sur, (b) Sarita Este, (c) La Sarita I, (d) La Sarita II, (e) the 50% interest over Francisco 1, (f) the 50% interest over Francisco 2, (g) the 33.3% interest over Desierto I, and (h) the 33.3% interest over Desierto II. Management assessed and determined that no event has incurred that would trigger such payable or payment as at May 31, 2020. (See - Subsequent events d)).

HISTORIC EXPLORATION INFORMATION

BRITISH COLUMBIA

In Canada, and in 2017, the Company optioned its 49% interest in the Toodoggone Project to Amarc Resources Ltd.

ARGENTINA

In 2016, the Company focused on reorganizing its Argentine property portfolio. Field work did not get underway until mid-2016 when it was decided to conduct a second drill program on the Taran property. Taran was the focus of field work and the drill program was completed. As discussed above, and on November 30, 2016, the Company and Regberg closed an agreement that enabled Regberg to have joint control with the Company on Argentine properties' operations. No project spending on Argentine properties occurred in 2019, and in 2020 to date.

SUBSEQUENT EVENTS

a) On June 25, 2020, the Company accepted the resignation of Brian Causey as officer and director and has appointed Mr. Lorne Harder and Mr. Christopher Ecclestone to the board. The new board will be comprised of Dr. George Gale, Mr. Lorne Harder, and Mr. Christopher Ecclestone.

b) On July 2, 2020, the Company announced the appointment of Mr. Greg Andrews to the Board of Directors. In addition, the Board has appointed Mr. Lorne Harder, Mr. George Gale, and Mr. Greg Andrews to both the Audit and Compensation Committees.

c) On July 7, 2020 , the Company has obtained a loan of $200,000 (the “Loan”) from Mr. Lorne Harder, Chief Financial Officer, Corporate Secretary and a Director of Cascadero, through his wholly-owned company, Springhill Investments Ltd. (“Springhill”). The Loan is non-interest bearing, is payable at the end of one year, may be repaid at any time without penalty and is unsecured. Cascadero expects to use the Loan proceeds to primarily pay its arm’s length creditors and for general working capital.

As a condition of the Loan, Cascadero will, subject to TSX Venture Exchange acceptance, issue to Springhill 8,000,000 warrants, each warrant is exercisable for one common share of Cascadero at an exercise price of $0.025 per common share (the “Bonus Warrants”). The Bonus Warrants will expire one year from issuance. The Bonus Warrants will be subject to a hold period of four months and a day from the date of issuance. The issuance of the Bonus Warrants will be exempt from prospectus requirements based on the exemption set out under Section 2.5 of National Instrument 45-106 – *Prospectus Exemptions* as Mr. Harder is a director and executive officer of Cascadero. TSX Venture Exchange approval was granted on July 17, 2020.

Due to Mr. Harder’s relationship with Cascadero, the Loan transaction is deemed a related party transaction.

d) On July 30, 2020, the Company announced that in the process of conducting due diligence by the new management team at the Company, it has become apparent that an agreement dated September 3, 2015 with an Argentine drilling contractor potentially creates a contingent liability as defined by IAS 37 (Provisions, Contingent Liabilities and Contingent Assets). The maximum amount of this liability is estimated to be US$1 million (one million United States Dollars).

The liability is crystallised in the event of the sale of part, or whole, of any of the mining concessions in the Company's Taca Taca Group.

The Taca Taca Group, for the purposes of this agreement, consists primarily of (a) Sarita Sur, (b) Sarita Este, (c) La Sarita I, (d) La Sarita II, (e) the 50% interest over Francisco 1, (f) the 50% interest over Francisco 2, (g) the 33.3% interest over Desierto I, and (h) the 33.3% interest over Desierto II.

The Company is in the process of reviewing this agreement for its validity and potential financial obligation of the Company, but at this time, without further information, the Company expects to incorporate this information as a contingent liability in its future financial statement filings.

e) On July 31, 2020 – the Company announced that, due to delays caused by Covid-19, it will be relying on BC Instrument 51-517 – *Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the Period from June 2 to August 31, 2020* (and similar exemptions provided by other relevant Canadian securities regulators) to delay the filing of its interim financial statements for the quarter ended May 31, 2020 and the related management's discussion and analysis and certifications (collectively the "Q2 2020 documents") as required under National Instrument 51-102 – *Continuous Disclosure Obligations*. The exemption provides Cascadero with an additional 45 days from the usual 60-day deadline of July 30, 2020 to complete its second quarter statutory filings.

f) On August 6, 2020 – the Company announced that Dr. George Gale has been appointed as Non-Executive Chairman of the Board.

g) On August 19, 2020 – the Company announced that Christopher Ecclestone has tendered his resignation as the Chief Executive Officer of the Company, effective immediately. Mr. Ecclestone will continue in his role as a non-executive director of the Company. The Board of Directors will oversee day-to-day management of the Company until such time that a new Chief Executive Officer is appointed.

h) On August 24, 2020 – the Company announced that its annual general and special meeting will be held at 2:00 p.m. (Pacific Time) on Wednesday, November 18, 2020 at 1500 – 1055 West Georgia Street, Vancouver, British Columbia.

i) On August 25, 2020 the Company received a notice from Mr. Nelson Borch purportedly provided pursuant to section 167 of the Business Corporations Act (British Columbia). The notice seeks to requisition a general meeting of shareholders for the purposes of considering and, if thought fit, passing: (a) an ordinary resolution increasing the number of directors to five; (b) a special resolution removing all of the existing directors of the Company except for Christopher Ecclestone and Lorne Harder; and (c) electing additional directors nominated by Mr. Borch. Mr. Borch is the principal of NB Projects Asia Pte. Ltd. which, through its ownership of 30% of the common shares of the Company's subsidiary, Cascadero Minerals Corporation, is the minority joint venture participant in the Company's mineral exploration projects in Argentina. The Company retains ownership of 70% of Cascadero Minerals Corporation's outstanding shares. The Company's Board of Directors has appointed a special committee to review the notice.

j) On August 31, 2020 – the Company clarified that Mr. Ecclestone had sent notice to the Board on August 19, 2020, indicating that he was "… resigning as CEO of Cascadero Copper, with immediate effect, whilst retaining my Directorship in a Non-Executive capacity." It is the Board's position that Mr. Ecclestone had resigned as both CEO and President with such notice, as one cannot serve as a "non-executive" director whilst occupying either of those offices. In any event, at a meeting of the Board held on August 24, 2020 in which Mr. Ecclestone participated, in order to remove any ambiguity in this regard, the Board resolved that the offices of CEO and President were vacant and that the Board would continue to oversee day-to-day management of the Company until such time that a successor CEO and President is appointed.

k) On August 31, 2020 – the Company announced that it has adopted an advance notice policy establishing a framework for advance notice of nominations of directors by shareholders of the Company. The Advance Notice Policy is effective immediately. At the Meeting, the Company is seeking shareholder approval and ratification of the Advance Notice Policy.

l) On August 31, 2020 – the Company provides an update on the Company's July 30, 2020 announcement that due to delays caused by Covid-19, it will be relying on BC Instrument 51-517 – Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the Period from June 2 to August 31, 2020 (and similar exemptions provided by other relevant Canadian securities regulators) to delay the filing of its interim financial statements for the quarter ended May 31, 2020 and the related management's discussion and analysis and certifications (collectively the "Q2 2020 documents") as required under National Instrument 51-102 – Continuous Disclosure Obligations. The exemption provides Cascadero with an additional 45 days from the usual 60-day deadline of July 30, 2020 to complete its second quarter statutory filings. Cascadero estimates that its Q2 2020 documents will be filed on or before September 14, 2020

SELECTED QUARTERLY INFORMATION

The following are selected financial data from the Company's unaudited financial statements for the last eight quarters ending with the most recently completed quarter, being the three months ended May 31, 2020.

	May 31, 2020	February 28, 2020	November 30, 2019	August 31, 2019
Total assets	$235,893	$323,344	$368,444	$552,037
Exploration & evaluation assets	---	---	---	---
Working capital (deficiency)	(1,321,314)	(1,167,944)	(1,284,464)	(1,555,150)
Shareholder 's equity	(1,151,710)	(998,340)	(1,114,860)	(1,385,545)
Net income (loss)	(151,375)	63,079	504,088	(267,579)
Basic and diluted income (loss) per share	(0.001)	0.000	0.003	(0.002)

	May 31, 2019	February 28, 2019	November 30, 2018	August 31, 2018
Total assets	$701,664	$810,798	$690,729	$893,970
Exploration & evaluation assets	---	---	---	---
Working capital (deficiency)	(1,303,880)	(991,388)	(788,193)	(509,080)
Shareholder's equity	(1,134,155)	(821,541)	(618,225)	(282,712)
Net income (loss)	(382,135)	(392,850)	(356,353)	(200,200)
Basic and diluted loss per share	(0.002)	0.000	0.000	0.000

RESULTS OF OPERATION

The Company had loss of $151,375 ($0.001 per share) for the quarter ended May 31, 2020 compared to a loss of $(382,135) ($0.002 per share) for the quarter ended May 31, 2019. The reduced loss during the quarter ended May 31, 2020 compared with the same period of last year was mainly due to the decrease in share of loss of investment in joint venture of $232,085.

Significant expenses incurred during the quarter ended May 31, 2020 were as follows: $37,455 (2019 - $nil) in interest and penalties (Part VII.6 tax), $31,215 (2019 - $43,691) in professional fees and general and administrative expenses of $39,673 (2019 - $71,359, including management fees).

The Company had loss of $88,296 ($0.000 per share) for the six months ended May 31, 2020 compared to a loss of $(774,985) ($0.004 per share) for the six months ended May 31, 2019. The reduced loss during the six months ended May 31, 2020 compared with the same period of last year was mainly due to the decrease in share of loss of investment in joint venture of $ 680,683.

Significant expenses incurred during the six months ended May 31, 2020 were as follows: $48,960 (2019 - $nil) in interest and penalties (Part VII.6 tax), $62,152 (2019 - $nil) in share-based compensation, $49,565 (2019 - $90,323) in professional fees and general and administrative expenses of $66,166 (2019 - $131,861, including management fees).

LIQUIDITY

The Company finances its activities by raising capital in the equity markets and has no regular source of revenue or cash flow. The Company is dependent upon its ability to obtain the necessary financing to generate enough cash and cash equivalents, in the short and long term to meet its obligations as they become due and finance its exploration programs. Certain mineral tenures may be sold for cash as well.

The interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Management believes that a future sale of properties in this area is possible and that a sale, after costs and taxes, would result in liquidity to the Company. The interim consolidated financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business. Such adjustments could be material.

Net cash used for operating activities for the quarter ended May 31, 2020 was ($44,166) compared to net cash used for operating activities of ($212,634) for the quarter ended May 31, 2019.

Cash flows from investing activities for the quarter ended May 31, 2020 was $4,498 compared to the investing activities of $198,313 for the quarter ended May 31, 2019.

Cash flows used for financing activities for the quarter ended May 31, 2020 was $(1,135) compared to the financing activities of ($100,453) for the quarter ended May 31, 2019.

CAPITAL RESOURCES

The Company has defined its capital as common shares, contributed surplus and retained earnings. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to maintain appropriate cash reserves on hand to support continued operations and shareholder returns, maintain capital structure while keeping capital costs at a minimum, and to invest cash on hand in highly liquid, highly rated financial instruments. The Company is not exposed to externally imposed capital restrictions, and the Company's objectives and strategies described above have not changed since last year. These objectives and strategies are reviewed on a continuous basis.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

a) The Company has the following balances owed to and from related entities as at May 31, 2020:

(i) $428,916 (November. 30, 2019 - $457,916) due to the estate of Bill McWilliam (“Mr. McWilliam”), the director of the Company until March 2020 when he passed away;
(ii) $310,888 (November 30, 2019 - $310,888) due to the estate of Judith Harder (“Ms. Harder), the director and CEO of the Company until December 2018 when she passed away;
(iii) $127,276 (November 30, 2019 - $124,682) due to Argentine Frontier Resources Inc. (“AFRI”), an entity controlled by the estate of Mr. McWilliam and estate of Ms. Harder;
(iv) $6,105 (November 30, 2019 - $6,105) due to the Company’s Chief Financial Officer until June 2020 (the “Former CFO”);
(v) $15,126 (November 30, 2019 - $15,126) due to Cosmos Minerals SA Inc., an entity controlled by the estate of Mr. McWilliam and the estate of Ms. Harder;

(vi) $Nil (November 30, 2019 - $101,500) due to a former director and officer (resigned in October 2019) (see Note 7), non-interest bearing and secured by 3,000,000 Amarc shares owned by the Company. The entire amount was paid in January 2020; and
(vii) $168,848 (November 30, 2019 - $168,848) due from Cosmos Minerals S.A. an entity controlled by the estate of Mr. McWilliam and the estate of Ms. Harder.

b) Effective October 3, 2017, the Company enter into a loan agreement with Ms. Harder and Mr. McWilliam (the "Lenders") whereby the Lenders agreed to advance up to $300,000 in readily available funds to the Company. The loan bears an interest rate of 6% per annum. The loan has a minimum term of one year and can be repaid by the Company at any time after the one-year period. The Company has agreed to issue as a loan bonus share purchase warrants that enables each of the Lenders to purchase 1,875,000 shares in the Company at $0.08 per share exercisable over a term of five years.

During the year ended November 30, 2017, the Company received $200,000 from the Lenders and issued 3,750,000 Loan Bonus Warrants with a fair value of $0.06 per warrant. The Company allocated $160,654 to the loan and $139,346 to the Loan Bonus Warrants using the relative fair value method. Two-Third of the allocated Loan Bonus Warrants valued in the amount of $92,898 was treated as financing charges to the loan proceeds of $200,000 received and the remaining one-third in the amount of $46,448 was treated as the deferred financing charge. During the year ended November 30, 2018, the remaining $100,000 loan proceeds was not received, the deferred financing charge was expensed. The loan has an effective interest rate of 67% and the accretion expense for the year ended November 30, 2018 was $132,080 including the deferred financing charge in the amount of $46,448.

c) During the six months ended May 31, 2020, the Company had the following transactions with related parties:

(i) Incurred $ Nil (2019 - $9,000) in office rent to AFRI;
(ii) Incurred $ 900 (2019 - $ Nil) in office rent to the former President of the Company;
(iii) Incurred $ nil (2019 - $80,000) in management consulting fees to Mr. McWilliam;
(iv) Incurred $46,000 (2019 - $30,000) in management consulting fees to the former President of the Company;

d) Key management compensation

Key management includes the Chairman of the Company, CEO and CFO. The compensation paid or payable to key management for services during the six months ended May 31, 2020 and 2019 is identical to the disclosure above other than share-based payments. During the six months ended May 31, 2020, key management received share-based payment of $62,152 (2019 - $nil). Key management personnel were not paid post-employment benefit, termination fees or other long-term benefits during the six months ended May 31, 2020 and 2019; and

e) Subsequent to the period end, the Company obtained a loan of $200,000 (the "Loan") from a related party.

FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

The Company's financial instruments consist of cash, marketable securities, accounts receivables and accounts payables and accrued liabilities. The fair value of these financial instruments approximates their carrying value due to the immediate or short-term maturity of these instruments.

Financial Risk Factors

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The

Company's exposure to credit risk is primarily associated with cash and cash equivalents. Risk associated with cash is managed through the use of a reputable financial institution. The carrying amount of financial assets presented on the Company's consolidated statement of financial position represents the maximum credit exposure.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company manages liquidity risk by maintaining sufficient cash and cash equivalent balances to enable settlement of transactions on the due date. Management monitors the Company 's contractual obligations and other expenses to ensure adequate liquidity is maintained.

Market risk

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

(a) Foreign currency risk

The Company is exposed to foreign currency risk fluctuations related to cash and accounts payable and accrued liabilities that are denominated in US Dollars (US). The Company monitors such amounts to limit any exposure to foreign currency risk.

(b) Interest rate risk

The Company has cash balances and no material interest-bearing debt. The Company is satisfied with the credit ratings of its banks.

(c) 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 commodity prices of oil, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

The Company is exposed to market price risk for its available-for-sale securities consisting of shares in a publicly traded company which is subject to the fluctuations in share prices on the stock exchange. The Company monitors its investments to limit the exposure to price risk.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustments to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

(i) Judgments

Valuation of exploration and evaluation expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits **will** flow to the Company, which may be based on assumptions about future events or circumstances. Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

Joint Arrangement

The accounting for investments in other companies can vary depending on the degree of control and influence over those other companies. Management is required to assess at each reporting date the Company's control and influence over the other companies. Management has used its judgment to determine which companies are controlled and require consolidation and those which are significantly influenced or jointly controlled and require equity accounting. Determination of the date that the Company's interest in the Argentine Entities changed from control to joint control also required significant judgment. The Company has determined that effective November 30, 2016, the Company lost control in the Argentina Entities and retained joint control in these entities as the participating parties have joint control and a right to the net assets of the arrangement.

Significant judgments and estimates are also required to determine the fair value of the investments retained in the Argentina Entities that were the former subsidiaries.

At each reporting date, the Company determines whether there is objective evidence that the investment in associate or joint venture is impaired. Significant judgment is required when determining whether facts and circumstances suggest that the carrying amount of the investment in associate or joint venture may exceed its recoverable amount.

Business versus asset

Identifying a transaction as being considered a business or an asset requires judgment regarding whether the set of assets and liabilities acquired or disposed constitutes a business based on the particular circumstances.

Provision

Management assesses the probability of a liability being payable as either remote, more than remote or probable. If the liability is considered to be less than probable, then the liability is not recorded and it is only disclosed as a contingent liability.

(ii) Estimates

Share-based payment transactions

Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment are disclosed in Note 8 of the audited financial statements.

CHANGE IN ACCOUNTING POLICY (INCLUDING INITIAL ADOPTION)

Adoptions of new accounting pronouncements

The accounting policies applied in preparation of these interim financial statements are consistent with those applied and disclosed in the Company’s financial statements for the year ended November 30, 2019. The Company adopted the following new accounting standards for the three and six months ended May 31, 2020, which had no important impact on the Company's interim financial statements.

(i) IFRS 16 *Leases*

In January 2016, the IASB published a new standard, IFRS 16. The new standard provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, unless the lease term is 12 months or less or the underlying asset has a low value. Lessor accounting remains largely unchanged from IAS 18 and the distinction between operating and finance leases is retained. The standard is effective for annual period beginning on or after January 1, 2019. The Company did not have significant operating leases obligations as at May 31, 2020 and November 30, 2019.

Outstanding Share Capital as at the date of this MD&A

Authorized	Unlimited number of no par value common shares

Issued common shares	**194,298,892**
Treasury Shares held	16,498,026
Outstanding common shares	**177,800,866**
Stock Options	4,500,000
Warrants	3,750,000

Stock Options and Warrants outstanding at May 31, 2020:

OPTIONS ISSUED	EXERCISE PRICE PER SHARE	EXPIRY DATE
2,500,000 (1)	$0.05	July 16, 2021
2,000,000 (1)	$0.05	January 10, 2025

(1) Subsequent to May 31, 2020, 3,000,000 options granted to a former Director/President will expire 90 days after his resignation date of June 25, 2020. (1,000,000 – July 16, 2021 and 2,000,000 January 10, 2025)

WARRANTS ISSUED	EXERCISE PRICE PER SHARE	EXPIRY DATE
3,750,000	$0.08	October 3, 2022

DISCLOSURE CONTROLS AND PROCEDURES

In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) **("NI** 52-109") the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements for the quarter ended May 31, 2020 and accompanying MD&A.

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate 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. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim Filings on SEDAR at www.sedar.com.

RISKS AND UNCERTAINTIES

The exploration and development of mineral deposits involves significant risks which even a combination of careful evaluation, experience and knowledge may not be successful in overcoming . Few mineral properties which are explored ultimately develop into producing mines. There has been no commercial production of minerals on properties held by the Company to date and there is a high degree of risk that commercial production of minerals will not be achieved.

Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The mining industry is intensely competitive. The commercial viability of a mineral deposit depends on a number of factors including the particular attributes of the deposits (principally size and grade), proximity to infrastructure, the impact of mine development on the environment, environmental regulations imposed by various levels of government and the competitive nature of the industry which causes mineral prices to fluctuate substantially over short periods of time. There can be no assurance that the minerals can be marketed profitably or in such a manner as to provide an adequate return on invested capital.

The operations of the Company are subject to all of the risks normally associated with the operation and development of mineral properties and the development of a mine, including encountering unexpected formations or pressures, caving, flooding, fires and other hazards, all of which could result in personal injuries, loss of life and damage to property of the Company and others. In accordance with customary industry practice, the Company is not fully insured against all of these risks and insurance may not be available for such risks.

The operations of the Company's properties will be subject to various laws and regulations relating to the environment, prospecting, development, production, waste disposal and other matters. Amendments to current laws and regulations governing activities related to the Company's mineral properties may have material adverse impact on operations.

The Company will need additional funding to complete its short and long term objectives. The ability of the Company to fund its operations in the future will depend on the prevailing market conditions, as well as the business performance of the Company. There can be no assurances that the Company will be successful in its efforts to raise additional financing on terms satisfactory to the Company. If adequate funds are not available or not available on acceptable terms, the Company may not be able to take advantage of opportunities, to acquire new projects or to otherwise respond to competitive pressures.

Since February 2020, the coronavirus (“COVID-19) has threatened a slowdown in the global economy as well as caused volatility in the global financial markets. While the full impact of COVID-19 on the global economy is uncertain, rapid spread of COVID-19 may have an adverse effect on the Company’s financial position, results of operations and cash flows in future periods.

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