KORE MINING LTD.

Interim Management's Discussion and Analysis

For the nine months ended September 30, 2019 and 2018

KORE MINING

The following Management's Discussion and Analysis ("MD&A"), prepared as of November 28, 2019, should be read together with the unaudited consolidated interim financial statements of KORE Mining Ltd. ("KORE Mining" or the "Company") for the nine-month period ended September 30, 2019 and annual audited consolidated financial statements for the year ended December 31, 2018, and related notes thereto, which are prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance.

Nature of Operations

KORE Mining Ltd. (the "Company") is gold explorer and developer that was formed through the amalgamation of Eureka Resources Inc. ("Eureka") and 1184938 BC Ltd (formerly Kore Mining Ltd.) ("Kore") in October 2018. More information on the amalgamation can be found on the Company's website at www.koremining.com and on SEDAR at www.sedar.com. The Company's head and registered office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

The Company's business is the acquisition, exploration and development of North American gold projects. The Company currently owns 100% of four gold projects in California and British Columbia. All four projects have gold resources or gold discoveries and the most advanced project, Imperial, is being prepared for permitting and a preliminary economic assessment is underway. Overall, the Company is well positioned to advance and unlock the value of its multi-million ounces of gold resources.

KORE Mining is supported by strategic investors Eric Sprott and Macquarie Bank who, together with management and Board, own over 66% of the undiluted common shares. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") as a Tier 2 issuer under the symbol "KORE" and on the OTCQB in the US under the symbol 'KOREF".

Overall Performance and Highlights

During the three-month period ended September 30, 2019, the Company accomplished the following:

- Appointed Scott Trebilcock as President, CEO and Director. Former CEO Mr. Adrian Rothwell remains a Director of the Company;
  - Granted 2,600,000 options exercisable at $0.27 per share as part of CEO's compensation package and completed a $100,000 private placement with him at $0.25 per share.
  - CEO is the beneficial owner of 1,564,000 common shares of KORE;
- Attracted a $3.0 million strategic investment from Mr. Eric Sprott through a private placement of 10,000,000 shares at $0.30 per share; and
- Staked district scale exploration project on the under-explored 26 km trend that hosts the Imperial project. The claims run from Equinox's operating Mesquite gold mine to the closed Picacho gold mine.

Subsequent to the period ended September 30, 2019, the following events have taken place:

- Appointed Marc Leduc as Chief Operating Officer ("COO"). Mr. Leduc is a heap leach expert with California gold mine permitting experience;
  - Granted 500,000 options exercisable at $0.29 per share and a term of five years to the new COO;
- Listed on the OTCQB under the symbol 'KOREF' thus enabling better access for US investors to participate in KORE;
- Executed an amendment to the Newmont Goldcorp agreement whereby the Company can now settle its US$1,000,000 obligation on announcement of a PEA or similar study with common shares, giving KORE more flexibility to complete a PEA in 2020.

Outlook

The Company's primary focus in 2020 is the economic assessment and re-start of permitting of the Imperial Project. The Company is also investing in exploration of the new Imperial claims, Long Valley, and FG projects with drilling planned to start at FG late in 2019. In addition to the exploration at these Properties, the Company may evaluate other prospects worthy of exploration and development. The ability of the Company to do so is contingent upon its ongoing ability to raise the risk capital necessary to advance such prospects.

David S. Smith, CPG, is the Company's designated independent Qualified Person for this MD&A within the meaning of National Instrument 43-101 and has reviewed and approved the technical information described herein.

Project Summaries

Imperial, California, USA

In March 2017, the Company purchased Imperial USA Corp. which owns the Imperial project ("Imperial") located in California. In settlement of the purchase price, the Company paid US$50,000 which had been deposited previously with the Newmont Goldcorp (formerly Goldcorp) (the "Vendor") in November 2016 related to a Letter Agreement, and US$100,000 on the date of closing the purchase. The agreement has provisions for two further payments to the Vendor, with US$1,000,000 payable upon the announcement of a revised Preliminary Economic Assessment (PEA) or similar report and US$1,000,000 payable 30 days after the date that gold is poured from ore the is mined from the related properties.

The Vendor retains a 1% net smelter return royalty on the property. The vendor has the option to receive shares in the Company in settlement of the remaining payments up to achieving a maximum 4.9% ownership interest in the Company, above which level further share consideration is at the option of the Company.

In November 2019, the Company entered into an amendment to the Imperial project purchase agreement where Newmont Goldcorp has agreed to accept common shares of the Company in settlement of a future US$1,000,000 payment due on announcement of a PEA or similar report. This election by Newmont Goldcorp will expire in November 2020 and all other provisions of the agreement remain in full force.

In addition, the Company has committed to incur US$5 million on the Imperial Project on or before March 2022, the fifth anniversary of the date of the Imperial Purchase Agreement. If the Company does not incur these expenditures in this time, the Company must then pay US$1,000,000 to the Vendor to retain ownership.

In May 2019, the Company received an investment by Macquarie Bank Ltd and its affiliates (collectively, "Macquarie") of $4,000,000. As part of the investment by Macquarie, Macquarie subscribed for 6,000,000 common shares and acquired a 1% NSR royalty (the "Macquarie Royalty") on the Imperial Project for a total cost of $4,000,000. The agreement provides for certain rights for Macquarie to provide project development financing, rights of refusal and offer on additional royalty issuances and sales, and prescribes the proceeds to be used primarily to advance permitting of the Imperial Project. The Company maintains a right to buy back the Macquarie Royalty on the following terms: i) within 6 months of the closing date for the Macquarie Royalty, if the Company is acquired at a price of no less than $0.75 per share, the Company may buy back the Macquarie Royalty for $4,750,000; or ii) within greater than 6 months but less than 12 months of the closing date for the Macquarie Royalty, if the Company is acquired at a price of no less than $1.00 per share, the Company may buy back the Macquarie Royalty for $6,750,000.

(Expressed in Canadian dollars)

Imperial is located in Imperial County, southeastern California 26 miles northwest of the city of Yuma, Arizona, and 45 miles east-north-east of El Centro, California. The operating Mesquite Mine and the closed Picacho Mine are located roughly 10 miles to the west and east, respectively, and the closed American Girl Mine is about 8 miles south of the property.

Imperial consisted of 370 lode claims, 281 millsite claims and 3 placer claims for a total of 654 claims covering a total area of approximately 5,721 acres. In September 2019, the Company staked 1,005 new claims cover approximately 20,411 acres bringing the Company's total in the region to 26,132 acres, a 357% increase. The claims were staked to capture the entire gold trend that connects Equinox's operating Mesquite mine to Imperial and then continuing onto the now closed Picacho mine. The trend is underexplored and has potential to host additional gold deposits. The claims are administered by the U.S. Bureau of Land Management ("BLM") on federally owned lands. The unpatented mining claims (new and historic) are all in good standing with all holding fees paid for the current year. The claims will remain in effect for as long as the claim holding fees are paid to both the U.S. government and the county. The claims must also be maintained by ensuring that the claim posts and location notices are properly upright and visible.

The Project was subject of a Glamis feasibility study in 1996. Subsequent to the feasibility study, Glamis started permitting with the Bureau of Land Management ("BLM"), however Glamis never completed its permitting. The Company proposes to complete permitting studies and re-start permitting to advance the project.

In 2012, an updated historic NI43-101[1] on the Imperial project was prepared by ADR Capital Corporation for the purposes of a proposed transaction with Delta Gold Inc., as follows. Historic mineral resources are reported at a cut-off grade ("COG") of 0.005 opt (0.16 g/t) and include all resource blocks above cut-off inside the conceptual pit shell.[2]

2012 SRK Historic Imperial Resource Estimate

	Size (tonnes)	**Grade (g/t)**	**Au (oz)**	**Source**	**Au Cutoff (g/t)**

[1] Imperial Project: Preliminary Economic Assessment Technical Report and PEA economic model October 26, 2012 ("2012 PEA") by Gordon Doerksen, P.Eng. Lois Boxill, P.Eng. et al of SRK Consulting (Canada) Inc. Prepared for ADR Capital Corporation, Vancouver, BC.

[2] The reader is cautioned that the above referenced "Historical Resource" is considered historical in nature and as such is based on prior data and reports prepared by previous property owners. The work necessary to verify the classification of this mineral resource estimate has not been completed and the resource estimate, therefore, cannot be treated as NI 43-101 current resource verified by a Qualified Person. There can be no assurance that any of the historical resources, in whole or in part, will ever become economically viable.

Mineral Resources are not mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral Resource will be converted into mineral Reserves. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

The historical mineral resources in this management's discussion and analysis were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council. Imperial Mineral Historical Resource Estimation Parameters: a) Grade estimation is based on assay samples composited to 20ft intervals. Grade capping thresholds were determined following a detailed statistical analysis of the data for the entire mineralized domains varied from 0.02 to 0.2 ounces per ton (opt) gold (Au). b) Resource model grade blocks were estimated using Gemcom GEMSTM modeling software based on a traditional wireframe interpretation constructed from a sectional interpretation of drilling data. c) The database for the Imperial model consisted of 349 RC holes totalling 190,134 feet of drilling. A total of 36,361 analyses were considered for use in the resource estimate. d) The modelled gold mineralized zone was subdivided into three domains displaying different strike or dip directions with a total length of 3,200 ft, width up to 800ft and average thickness of 85ft in the East area and 1,200ft in length, 1,000ft in width and average thickness of 90ft to 120ft in the West area, dipping from 5 to 35 degrees e) A bulk density value of 0.077 ton per cubic foot was used and derived from 9 core holes consisting of 32 samples collected in a 1994 and 1995 drilling program.

Mineral resources were reported within an optimized pit shell using a gold price of US$1,400/oz with a process recovery of 80%. g) Process costs used were US$1.50/ton and G&A was US$0.40/ton. Open pit mining costs were US$1.20/ton and sustaining capex was US$0.50/ton with open pit slopes of 45 degrees.

The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured mineral resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.

(Expressed in Canadian dollars)

Indicated	45,763,000	0.60	879,000	2012 Historic PEA	0.17
Inferred	76,334,000	0.53	1,298,000	2012 Historic PEA	0.17

The property is 100% owned and is subject to a 1% net smelter return royalty held by Newmont Goldcorp (formerly Goldcorp) and a 1% net smelter return royalty held by Macquarie Americas Corp. on any mineral production from the property.

Long Valley, California, USA

On March 31, 2017 the Company purchased 95 mining claims in the Long Valley area of California from Vista Gold (the "Vendor"). Upon closing, the Company paid US$350,000 with provisions in the agreement for further payments of US$500,000 due 30 days after commencement of commercial production and US$500,000 payable on the 12-month anniversary of the commencement of commercial production. The Vendor has the option to receive shares in the Company in settlement of the outstanding payments. The mining claims were subsequently transferred to the Company's subsidiary, Kore USA Ltd.

The Vendor retained a net smelter return royalty on the claims ("the Seller NSR"). The Seller NSR provides for a royalty of 0.5% on sale of production when the price of gold is under US$1,400/oz, 1.0% when the price of gold is between US$1,401 to US$1,600/oz and 2.0% when the price of gold is above US$1,600/oz. The Company has the option to purchase 1% of the royalty when the price of gold is above US$1,600/oz for US$2 million if purchased prior to the announcement of a feasibility study or US$4 million if repurchased prior to commencement of commercial production. There is also a further 1% net smelter return royalty to Royal Gold on any gold production from the property. The property is not subject to any other production royalties or encumbrances.

The Long Valley Property is located in Mono County, east-central California, approximately 57 miles to the south of the town of Bridgeport and about 45 miles north of the town of Bishop, California. Both towns are connected by U.S. Highway 395, which passes a few miles west of the property. Access to the property from the highway is via a series of graded gravel roads. The claims are administered by the BLM on federally owned lands administered by the Inyo National Forest, U.S. Department of Agriculture. The surface rights in the area of the claims are owned by the U.S. government, with the area being subject to a surface grazing lease issued by the U.S. Forest Service.

In 2018, KORE commissioned an updated, pit-optimized resource estimate by Mine Development Associates ("MDA") in accordance with the CIM Standards. The resource estimate considered both a heap leach operation for oxide and transition material and a plant to recover sulfide material. Pit optimization parameters were developed for the different materials. Gold resources that are contained in a $1,500 per ounce optimized pit were estimated by MDA for the Hilton Creek, Southeast, and South zones and are summarized in the table below[3].

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[3] The scientific and technical information in this summary relating to the Long Valley Project is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the technical report titled "*Technical Report and Resource Estimate for the Long Valley Project, Mono County, California*", with an effective date of April 25, 2018, prepared for the Company by Neil Prenn, P.E. and Steven I. Weiss, C.P.G. (together, the "**Authors**") of Mine Development Associates ("**MDA**") in accordance with NI 43-101 (the "**Technical Report**"). Such assumptions, qualifications and procedures are not fully described herein and the following summary does not purport

(Expressed in Canadian dollars)

MDA Long Valley Resource Estimate, April 2018

	Size (tonnes)	Grade (g/t)	Au (oz)	Au Cutoff (g/t)
Measured	27,469,000	0.55	481,000	0.156[4]
Indicated	39,332,000	0.61	766,000	0.156[4]
Total M&I	**66,801,000**	**0.58**	**1,247,000**	
Inferred	23,560,000	0.64	486,000	0.156[4]

Resources reported as oxide are the material situated above an oxide-sulfide boundary that was generally determined by recording the last occurrence of oxide minerals observed in the drill cuttings or core, and above a transition zone that occurs approximately between 150 and 200 feet (50 and 60 metres) below the surface. As such, not all material situated above this boundary can be considered as oxide in the context of metallurgical recovery, as it undoubtedly includes materials that will react differently metallurgically. The Company aims to develop a model that better defines the metallurgical characteristics of the deposit.

FG Project, British Columbia, Canada

The 100% owned FG property ("FG Project") is an orogenic gold and early stage gold-copper porphyry project located in the Cariboo region of British Columbia, Canada. FG Project is located at the headwaters of the Horsefly River, 50 kms east of Horsefly, B.C. and consists of 35 contiguous claims (13,008 hectares).

The FG Project property has a· resource estimate completed by K.V.Campbell of ERSi Earth Resource Surveys Inc. and G.H. Giroux of Giroux Consultants Ltd. in July 2015.

FG Project Resource Estimate, July 2015

	Size (tonnes)	Grade (g/t)	Au (oz)	Au Cutoff (g/t)
Measured	5,600,000	0.81	145,000	0.50
Indicated	9,570,000	0.76	231,000	0.50
Total M&I	**15,170,000**	**0.78**	**376,000**	
Inferred	27,493,000	0.72	634,900	0.50

to be a complete summary of the Technical Report. References to the "**property**" in this section refer to the Long Valley Project. Reference should be made to the full text of the Technical Report, which is available for review under the Company's profile on SEDAR at www.sedar.com.

[4] Oxide only. Transition and sulfide cut-off grade 0.187 g/t.

Additional mineralization has been outlined over a 3 km strike length with five key zones of mineralization (NE Zone, Main Zone, SW Limb, Grouse Creek, Frasergold Creek) identified along a 10 km strike length of the sedimentary horizon. Further details on the gold resource can be found in "NI 43-101 Technical Report, Frasergold Exploration Project, Cariboo Mining Division, dated July 27, 2015" available on SEDAR or on the Company's website.

The Project has also yielded highly prospective gold-copper porphyry targets within an intrusion called the Nova Zone. The Nova Zone, potentially 3.5 km by 1 km, was discovered in 2018 through compilation of historic soil geochemistry, and airborne geophysical studies. 2018 drilling demonstrated semi-massive and massive copper and iron sulphides and intersected (hole DDH-18-002) over 32 metres of 0.52% copper equivalent, including 8.65 metres of 1.1% copper equivalent.[5] Gold grades as high as 5.70 g/t, copper grades as high as 1.01%, and silver grades as high as 4.98 g/t were encountered in drill core.

Gold Creek Project, British Columbia, Canada

The 100% owned Gold Creek project ("Gold Creek") is located 2 km NE of the town of Likely in the Cariboo - the heart of British Columbia's historic "Gold Rush" district. Gold Creek consists of 34 claims totalling 9,673 ha and approximately 8 km to the NW of the Spanish Mountain deposit. Access is from Likely by all-weather gravel road. The site has well developed infrastructure and is just 70km NE of Williams Lake, a major regional centre serviced by an airport and railway.

There is a 1% net smelter royalty on the property to a prior owner. The Company may purchase one-half of the royalty for $1,000,000.

Compilation of historical drilling, soil sampling, and geophysics were completed by KORE in 2018. The Company determined that gold mineralization is closely correlated with elevated arsenic and contained within a greywacke rock unit. The higher-grade gold intercepts in drill holes within the projects "Camp Zone" show similarities to the high-grade zone of the nearby Spanish Mountain Gold Deposit (TSX Venture: SPA). A large portion of the resource and the highest grades at Spanish Mountain occur at the contact between the greywacke and argillites, similar to mineralization at Gold Creek.

Historic drilling at Camp Zone, based on gold in soils anomalies, from 2011 and 2017 confirmed large widths of mineralization in the silicified greywacke from surface with multiple higher-grade vein intercepts within a lower-grade halo. Intercepts included 1.5m of 13.4 g/t (GC11-27 10.7m to 12.2m), 9m of 5.5g/t (GC17-34 16.0m to 25.0m), including 1.5m of 18.0g/t, and 84.65m of 1.0g/t (GC17-35 85.85m to 170.50m).

Arsenic in soils indicates an 8.5km long NW-SE trend that is coincident with the NW-SE trending Camp Zone. KORE tested several arsenic anomaly targets in 2018 with four drill holes for 940 meters. All four of the holes encountered broad zones of alteration and mineralization within the greywacke, interbedded with argillites, mudstones, and conglomerates. Hole GC18-36 intercepted 25.7m of 1.3g/t, including 3 metres of 8.6g/t gold near surface and Hole GC18-39 intercepted 1.5m of 32.2 g/t gold, within an overall intercept of 9.0m of 5.8 g/t gold. Visible gold was observed in the 3rd (GC18-038) and 4th (GC18-039) hole. Maps, sections and a table of drill holes completed are available in KORE news releases dated November 13 and December 4, 2018.

[5] Cu equivalent calculated using metals prices at April 29, 2019: USD$1,278/oz Au, $14.77/oz Ag, $2.90/lb Cu.

(Expressed in Canadian dollars)

The 2018 KORE drilling combined with historical trenching extends the Camp Zone to over 400 metres along strike and is open along both strike and at depth.

Exploration & Evaluation Expenses

Following is a summary of accumulated acquisition costs and exploration and evaluation expenses by project for the nine month periods ended September 30, 2019 and 2018:

As at September 30, 2019	Long Valley	Imperial	FG Gold-Copper	Gold Creek
Acquisition Costs	$ 512,931	$ -	$ 370,607	$ 498,136

For the nine month period ended September 30, 2019	Long Valley	Imperial	FG Gold-Copper	Gold Creek
Exploration and evaluation expenses				
Assay and sampling	$ -	$ 286	$ 6,820	$ 1,425
Claim maintenance and staking	25,444	691,103	-	-
Community consultation	-	2,450	-	-
Drilling	-	-	3,200	-
Engineering, metallurgy and geotechnical	27,768	41,660	28,096	12,453
Geographic information system	6,723	3,430	2,828	-
Permitting	-	14,359	-	-
Property taxes	3,201	13,379	-	-
Travel	18,896	47,368	12,002	4,099
	$ 82,032	$ 814,035	$ 52,946	$ 17,977

As at September 30, 2018	Long Valley	Imperial	FG Gold-Copper	Gold Creek
Acquisition Costs	$ 500,874	$ 205,095	$ -	$ -

For the nine month period ended September 30, 2018	Long Valley	Imperial	FG Gold-Copper	Gold Creek
Exploration and evaluation expenses				
Claim maintenance	$ 54,530	$ 136,112	$ -	$ -
Engineering, metallurgy and geotechnical	8,016	85,830	-	-
Geophysics	-	-	-	-
Permitting	34,573	391,775	-	-
Property taxes	-	-	-	-
	$ 97,199	$ 626,785	$ -	$ -

Results of Operations

<u>For the three and nine months ended September 30, 2019</u>

During the three and nine months ended September 30, 2019, the Company's net loss was $1,728,325 and $684,693 respectively (2018 net loss of $514,211 and $1,572,929 respectively). Income was incurred in 2019 as a result of a one-time transaction for the sale of a royalty interest for net proceeds of $2,348,745, and a gain on royalty sale of

(Expressed in Canadian dollars)

$2,140,779, which significantly decreased total loss for 2019. Expenses for both the three and nine months were increased where the three months ended September 30, 2019 increased from the comparative period by $1,191,297, while expenses for the nine months ended September 30, 2019 increased from the comparative period by $1,253,107. The main contributors of the variances for the three months ended September 30, 2019 are:

- Marketing, advisory and investor relations expenses increased to $190,095 (2018 - $59,945) which increased in the current quarter as the Company is now public. Investor relations expense includes conferences, presentations to investors as well as marketing materials, website maintenance and business development.
- Exploration and evaluation expenses increased to $880,404 (2018 - $264,251) due primarily to staking of new exploration claims at the Imperial property, and annual renewal of claims in Imperial and Long Valley.
- Share-based compensation costs increased to $302,405 (2018 - $nil) for the stock options vested during the period.
- Professional fees increased to $120,028 (2018 - $23,236) and were incurred during the period in connection with the Company being public, including audit fees, as well as legal costs for the Company's Imperial project in California.

The main contributors of the variances for the nine months ended September 30, 2019 are:

- Marketing, advisory and investor relations expenses increased to $491,084 (2018 - $107,623) which increased in the current period as the Company is now public. Investor relations expense includes conferences, presentations to investors as well as marketing materials, website maintenance and business development.
- Exploration and evaluation expenses increased to $966,989 (2018 - $723,906) primarily to staking of new exploration claims at the Imperial property, and a decrease on other projects due to a later field start date.
- Share-based compensation costs increased to $461,060 (2018 - $145,422) for the stock options vested during the period.

Summary of Quarterly Results

The following table sets forth selected quarterly financial information for each of the last eight quarters:

	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sept 30, 2018	Jun 30, 2018	Mar 31, 2018	Dec 31, 2017
Net income (loss)	($1,728,325)	$1,555,871	($512,239)	($3,077,613)	($514,213)	($477,407)	($435,889)	($456,530)
Basic and diluted income (loss) per share	($0.02)	$0.02	($0.01)	($0.04)	($0.03)	($0.03)	($0.01)	($0.02)

Liquidity, Capital Resources and Going Concern

The consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

The continuing operations of the Company are dependent upon the Company's ability to arrange adequate financing in the near term. However, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. If adequate financing is not available when required, the Company may be required to delay, scale back or eliminate various programs and may be unable to continue operations. The Company will seek such additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all.

As at September 30, 2019, the Company had a cash balance of $3,980,289 and working capital of $3,822,153 (December 31, 2018 – working capital deficiency $925,770) with current liabilities of $425,184 (December 31, 2018 - $1,477,512). The Company has incurred losses since inception and does not generate any cash inflows from operations. For the nine month period ended September 30, 2019, the Company had a net loss of $684,693, with expenses significantly offset from the one-time sale of a royalty interest (June 30, 2018 – loss of $1,058,718).

The Company may exercise discretion in the timing and amount of its expenditures, however, the Company's ability to carry out its planned exploration and development activities for at least the next twelve months is uncertain. These conditions indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities should the Company be unable to continue as a going concern. These adjustments could be material.

Cash Used In Operating Activities

Net cash used in operating activities during the nine month period ended September 30, 2019 was $3,191,488 (2018 - $663,214), primarily for ongoing operating and exploration costs.

Cash Provided by Financing Activities

Total cash provided by financing activities during the nine month period ended September 30, 2019 was $4,780,975 (2018 - $597,757), being the net proceeds from the private placements closed in May and August 2019.

Cash Provided by Investing Activities

Total cash provided by investing activities during the nine month period ended September 30, 2019 was $2,348,745 (2018 - $nil), being the net proceeds from the sale of the royalty interest in May 2019.

(Expressed in Canadian dollars)

Outstanding Share Data

The Company's authorized share capital consists of an unlimited number of common shares without par value. As of the date of this MD&A, there were 88,841,914 (September 30, 2019 – 88,441,914) shares issued and outstanding.

As of the date of this MD&A, the following shares, warrants and options were outstanding:

	Number of Shares/Options/Warrants	Exercise Price	Expiry Date
Issued and Outstanding Shares	**88,841,914**		
Warrants	121,500	$1.25	June 10, 2020
Agents' Warrants	308,000	$0.50	October 21, 2020
Warrants	2,200,000	$0.75	October 21, 2020
Stock Options	300,000	$0.50	November 2, 2021
Stock Options	1,250,000	$0.50	November 1, 2023
Stock Options	3,000,000	$0.14	January 12, 2024
Stock Options	150,000	$0.25	May 9, 2024
Stock Options	2,600,000	$0.27	July 3, 2024
Stock Options	500,000	$0.29	October 29, 2019
Fully Diluted at November 28, 2019	**99,271,414**		

Financial Instruments and Risk Management

(a) Financial Instrument Classification

The Company`s financial instruments consist of cash, deposits, amounts receivable and trade and other accounts payable.

The estimated fair market values of the Company`s financial instruments approximate their carrying values due to their short-term nature.

(b) Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

(c) Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company's cash balances held at financial institutions earn interest at rates which vary according to prevailing rates. The Company does not deem the associated interest rate risk to be material.

(d) Credit risk

Credit risk is the risk of potential loss to the Company if a counter party to a financial instrument fails to meet its contractual obligations. The Company does not consider that it is exposed to any material credit risks.

(e) Foreign currency risk

Foreign currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company maintains a portion of its cash reserves in United States dollars which are, therefore, subject to fluctuations in foreign exchange rates.

At September 30, 2019, the Company has certain monetary items denominated in United States dollars. Based on these net exposures, a 10% appreciation or depreciation of the Canadian dollar against the United States dollar would result in an increase or decrease of $15,000 in the Company's net loss.

(f) Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. See "Liquidity, Capital Resources and Going Concern" section.

Related Party Transactions and Balances

Related party transactions

During the six month period ended June 30, 2019, the related party transactions (excluding key management compensation) were as follows:

a) A company owned by a relative of a director and officer provided marketing consulting services of $28,250 (September 30, 2018- $22,681) for the nine months ending September 30, 2019.

b) Amounts owing to related parties are unsecured, non-interest bearing and due on demand. As at September 30, 2019, $79,874 (December 31, 2018 - $635,746) is due to related parties.

Key management compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the Chairman, President & Chief Executive Officer, Chief Financial Officer and Directors. For the six months ended June 30, 2019, total key management compensation included management fees and salaries of $428,500 and share-based compensation of $426,160.

Significant judgments, estimates and assumptions

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

Critical Judgments
The preparation of these consolidated financial statements requires the Company to make judgments regarding the going concern of the Company as discussed in Note 2 to the interim consolidated financial statements.

The Company is also required to make significant judgments on the ongoing feasibility of exploration and evaluation assets, and whether there are indicators that the right to explore the specific area has expired or will be allowed to expire, that further exploration and evaluation plans have changed, or whether development of a specific area is unlikely to recover existing exploration and evaluation costs. If any of these indicators are present, management would need to assess whether the exploration and evaluation property should be impaired.

Significant Estimates
The determination of the Company's tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgement by management. In determining these amounts, management interprets tax legislation in Canada and the US and makes estimates of the expected timing of the reversal of deferred tax assets and liabilities, the deferral and deductibility of certain items and the interpretation of the treatment for tax purposes for exploration and development activities. The Company is subject to assessment by Canadian and US tax authorities, which may interpret legislation differently which may affect the final amount or timing of the payment of taxes. The Company provides for such differences where known based on management's best estimate of the probable outcome of these matters.

Recent Accounting Standards
On January 1, 2019, the Company adopted IFRS 16 – Leases, which is a new standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting. Adoption of this standard did not have a significant measurement or disclosure impact on the Company's unaudited condensed interim consolidated statements.

We completed our assessment of the adoption of IFRS 16 and determined that there were no quantitative impacts or any significant disclosure impacts as the Company does not have any significant leases.

Cautionary Note Regarding 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. Certain statements contained in this MD&A constitute forward-looking statements. The use of any words such as "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify 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. Examples of where the company uses forward looking statements include when discussing exploration plans, operational plans and future expenditure expectations.

It is important to note that:

• Unless otherwise indicated, forward-looking statements in this MD&A describe the Company's expectations as of November 28, 2019.

• 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.

• 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 except as required by law.

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 "Mining Risks" and "Business Risks".

Risk Factors

Risks Inherent in the Mining Business

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, and other conditions involved in the drilling and removal of material; regulatory and permitting risks, including risks related to compliance with environmental legislation; uncertainty regarding resource estimates; fluctuating mineral prices; risks relating to title; availability of necessary equipment; competition for acquisition of claims and the recruitment of suitable personnel; and availability of necessary infrastructure. Below is a summary of these risks:

<u>Exploration and Development Risks</u>

The exploration for minerals and development of mineral properties involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Company's resource base. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, among other things, the following:

· the interpretation of geological data obtained from drill holes and other sampling techniques;

· feasibility studies (which include estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed);

· the particular attributes of the deposit, such as size, grade and metallurgy; expected recovery rates of metals from the ore;

· proximity to infrastructure and labour; the ability to acquire and access land; the availability and cost of water and power; anticipated climatic conditions;

· cyclical metal prices; fluctuations in inflation and currency exchange rates;

· higher input commodity and labour costs; and

· government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection.

The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business.

Operational Risks

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

Regulatory Requirements and Permitting Risks

The operations of the Company will require permits from various governmental authorities, and such operations will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that all permits which the Company may require for the conduct of exploration and development operations will be obtainable on reasonable terms or at all, or that applicable laws and regulations will not have an adverse effect on any exploration or development project which the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements (when and if any necessary permits are obtained) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. The occurrence of any failure of compliance or enforcement action may have an adverse impact on our reputation and could adversely affect our results of operations.

In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that will likely, in the future, require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

Amendments to current laws and regulations governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or exploration and development costs, or require abandonment or delays in the development of new properties.

Resource Estimates

There are numerous uncertainties inherent in estimating mineral resources, including many factors beyond our control. Such estimation is a subjective process, and the accuracy of any mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. There can be no assurance that mineral recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production. Resource estimates may require revision (either up or down) based on actual production experience. Any future resource figures will be estimates and there can be no assurance that the minerals are present or will be recovered, or that the Company's projects can be brought into profitable production. Any material reductions in resource estimates could have a material adverse effect on our results of operations and financial condition. Inferred mineral resources do not have demonstrated economic viability and have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility.

A significant amount of exploration work must be completed in order to determine whether an inferred mineral resource may be upgraded to a higher category.

Fluctuating Mineral Prices

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist for the sale of the same. There can be no assurance that metal prices will be such that the Company's properties can be mined at a profit and that estimated resources will be recovered or that they will be recovered at the rates estimated. Factors beyond the control of the Company may affect the marketability of any minerals discovered. Metal prices are subject to volatile price changes from a variety of factors, including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. Declining mineral prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Title to Properties

Transaction of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed and it is not uncommon in the United States for issues to arise with respect to surface rights. The Company may have to negotiate with third parties to secure its title or surface rights. The Company cannot give any assurance that title to its properties or surface rights will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that Company, as the case may be, does not have title to its properties could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures.

Lack of Availability of Resources

Mining exploration requires ready access to mining equipment such as drills, and crews to operate that equipment. There can be no assurance that such resources will be available to the Company on a timely basis or at a reasonable cost. Failure to obtain these resources when needed may result in delays in the Company's exploration programs.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Company will compete with other mining companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, terrorism, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's financial condition and results of operations.

Risks Related to the Stage of the Company's Development

The Company is subject to the risks typical of an enterprise in its early stages of development, including risks relating to limited financial resources, limited availability of additional financing, and potential dilution to existing shareholders; reliance on its management and key personnel; inability to obtain adequate or any insurance; exposure to litigation or similar claims; currently unprofitable operations; risks regarding the ability of the Company and its management to manage growth; and potential conflicts of interest. Below is a summary of these risks:

Financing Risks and Dilution to Shareholders

The Company has limited financial resources, no operations and no revenues. In order to execute its anticipated growth strategy, the Company will require additional equity and/or debt financing to support on-going operations, to undertake capital expenditures, or to undertake business combination transactions or other initiatives. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise additional financing could limit the Company's growth and may have a material adverse effect upon its business, operations, results, financial condition or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing Shareholders could suffer significant dilution. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities.

Reliance on Management and Key Personnel

The success of the Company will be largely dependent upon on the performance of the directors and officers, as well as the Company's ability to attract and retain key personnel. The loss of the services of any of these individuals may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company will be able to continue to retain the services of its directors, officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks. Although the Company intends to maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, any such insurance may not cover all the potential risks associated with its operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to companies in the mining industry on acceptable terms. The Company might also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Litigation

The Company may become party to litigation from time to time in the ordinary course of business, which could adversely affect its business. Should any litigation in which the Company becomes involved be determined against the Company, such decision could adversely affect the Company's ability to continue operating and the market price for its securities and could use significant financial and personnel resources of the Company. Even if the Company is involved in litigation and wins, litigation can redirect and consume significant resources.

In addition to being subject to litigation in the ordinary course of business, in the future, the Company may be subject to class actions, derivative actions and other securities litigation and investigations. This litigation may be time consuming, expensive and may distract the Company from the conduct of its daily business. It is possible that the Company will be required to pay substantial judgments, settlements or other penalties and incur expenses that could have a material adverse effect on its operating results, liquidity or financial position. Expenses incurred in connection with these lawsuits, which would be expected to include substantial fees of lawyers and other professional advisors, and the Company's obligations to indemnify officers and directors who may be parties to such actions, could materially adversely affect the Company's reputation, operating results, liquidity or financial position. Further, it is not known with certainty if any of this type of litigation or any resulting expenses will be fully or even partially covered by the Company's insurance. In addition, these lawsuits may cause insurance premiums to increase in future periods.

Unprofitable Operations

The Company has incurred losses since completion of the transaction with the former KORE Mining Ltd. in November, 2018. The Company may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Company expects to continue to increase operating expenses as it implements initiatives to grow its business. It is not expected that the Company will generate any revenues from its activities for the foreseeable future.

Management of Growth

The Company may be subject to growth-related risks, including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of the Company to deal with this growth may have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Conflicts of Interest

Certain of the directors and officers of the Company are also directors and officers of other companies, and conflicts of interest may arise between their duties as officers and directors of the Company and as officers and directors of such other companies.

Other Information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and on the Company's website at www.koremining.com.