



MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

The following Management Discussion and analysis ("MD&A") of financial position and results of operations of Auramex Resource Corp. (the "Company") is prepared as at November 25, 2019 and should be read in conjunction with the Company's unaudited condensed interim financial statements the three and nine months ended September 30, 2019, the Company's audited financial statements for the year ended December 31, 2018 and related notes thereto, and the Company's Annual MD&A for the year ended December 31, 2018. Additional information relating to the Company is available on SEDAR at www.sedar.com.

The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol AUX, and classified as a junior natural resource company. The Company is subject to the specific risks inherent in the mineral exploration business as well as general economic and business conditions. For more information on the Company, readers should review the Company's disclosure that is available on the Company's website at www.auramex.com as well as at www.sedar.com.

Review of Operations

Auramex holds mineral tenures, comprising in excess of 20,000 hectares (200 square kilometres) in five project areas, in the highly prospective Stewart gold camp in the Golden Triangle region of northwest British Columbia.

- The Georgie River (or GR) project lies at or near tidewater along the Portland Canal south of Stewart.
- The Lower Bear project extends from the edge of Stewart 12 kilometres north.
- The Bear Pass project encompasses properties that straddle Highway 37A for 15 kilometres along the Bear Valley and over the Bear Pass.
- The Tide North project lies on the upper Bowser River, 12 km north of the past producing Scottie gold mine and 15 km southeast of Pretium's Brucejack Mine
- The American Creek project lies in the American Creek corridor, extending from south of the confluence of American Creek and the Bear River 15 km north along the east side of American Creek.

The Company's operations during the first quarter and up until April 24, 2019, have been discussed in depth in the Company's Annual MD&A. Subsequent to April 24, 2019 the Company announced that drill permitting was underway.

In September 2019 the Company announced that it had received notification from the Ministry that review of its proposed work program, including drilling, for the Georgie River property was complete. The final requirement in the permitting process is the posting of a \$21,000 security deposit due before July 1, 2020.

In addition, the Auramex geological team reported on progress from the review of 11,750 metres of drill core on the property from previous operators. That core was drilled from 1978 to 1996 by multiple companies, with drilling focused at the historic high-grade Georgia River gold mine. The mine area, previously under option to another junior company, was recovered by Auramex in May of this year.

A program of re-boxing and cataloguing of the historic core began in July. The geological team was working from a camp on the property and is in the process of carrying out a comprehensive review of the core using an array of analytical tools and techniques.

The geological data obtained from the historic core analysis is a cost-effective opportunity that is providing valuable new technical information which the Auramex team will use to design the next drill program. Results from the work to date

confirms that a large amount of valuable information can be extracted from the drill core. That information will greatly enhance the effectiveness of a drill program, now set for early summer.

The initial Auramex drill program is intended to:

- Validate the extensive drill hole data base;
- Further extend the known high-grade occurrence, laterally and to depth;
- Most importantly: to test the large-scale potential of this extensive gold-bearing hydrothermal system.

Auramex has confirmed that the area of the high-grade historic mine is merely one small near-surface expression of an extremely large gold-bearing hydrothermal system. Mapping to the southwest of the mine located a 750 m-wide, southwest-dipping zone of shearing (the Hume Creek Deformation Zone or HCDZ). An airborne versatile time-domain electromagnetic (V-TEM) survey identified a one square kilometre area of anomalously high electromagnetic response over the HCDZ along the ridge crest. Inversion of these data identified the presence of a conductive, southwest-dipping structure whose surface trace is coincident with historic gram-plus values of Au along a strike length of 590 m, open along strike. This anomalous zone is interpreted as a mineralized fault, an area of permeability which channelled the base an precious metal-bearing hydrothermal fluids. It is believed that the hydrothermal system is related to an Early Jurassic intrusion. This situation is similar to the major gold deposits in the Golden Triangle.

Evidence suggests that the high-grade, near-surface zone that was historically mined is a small, high-level part of that hydrothermal system. The objective now is to identify areas within that system with similar, larger, gold occurrences.

In May 2019 the option granted to Decade Resources Ltd. to earn a 75% interest in certain mineral claims within the Georgia River area of the Stewart properties was terminated. The company now holds a 100% interest in all but two of the tenures composing the Georgie River project.

The technical disclosure in this MD&A has been read and approved by Dr. Paul Metcalfe, PhD, P.Geo., a qualified person as defined in National Instrument 43-101

Corporate Update

In January 2019 the Company issued 1,550,000 units in a private placement at \$0.05 per unit for gross proceeds of \$77,500 of which \$70,000 had been received prior to December 31, 2018, each unit consists of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share at a price of \$0.10 per common share until January 29, 2020.

In January 2019 The Company granted incentive stock options under the Company's stock option plan to directors, officers, employees and consultants of the Company to purchase up to an aggregate of 782,000 treasury shares. The options are exercisable at a price of \$0.05 per share for a period of 5 years.

In July 2019 the Company appointed Richard Savage to the Board of Directors. Richard began his career as an Investment Advisor at Yorkton Securities (which became Richardson GMP) in 1988 and remained there for 28 years.

In July 2019 The Company granted incentive stock options under the Company's stock option plan to directors, officers, employees and consultants of the Company to purchase up to an aggregate of 1,925,000 treasury shares. The options are exercisable at a price of \$0.06 per share for a period of 5 years.

In August and October, 2019 the Company issued a total of 7,630,000 units in private placement at a price of \$0.05 per unit for gross proceeds of \$381,500. Each unit consists of one common share of the Company and one common share purchase warrant each of which will entitle the holder to acquire one common share of the Company at a price of \$0.07 until January 22, 2021.

During the period ended September 30, 2019, 330,000 warrants were exercised for gross proceeds of \$17,000.

Financial Conditions and Performance

Financial Condition

During the nine months ended September 30, 2019, the Company's working capital decreased by \$493,817 to (\$179,346) as a result of general and administration costs, and exploration expenditures in the period including construction of a winterized camp at the Georgie River project. The Company is actively seeking to raise funds to meet its current and planned operating requirements and plans.

Performance

The operating loss for the nine months ended September 30, 2019 amounted to \$482,616, compared to \$242,911 in the same period in the prior year. The increase in the operating loss of \$239,711 is attributable to the expense related to the stock options granted in the period, the increased cost of having a fully active management team in the current year, and an increase in operating and promotional activity.

The company recorded a gain on the sale of tax benefits resulting from flow-through expenditure amounting to \$7,730, had interest income of \$312, and received addition revenue related to the sale of its subsidiary in the previous year of \$18,000, resulting in a net comprehensive loss of \$456,545 for the nine month period.

The loss for the 3 months ended September 30, 2019 amounted to \$222,142 compared to \$101,876 in the prior year. The increase of \$120,266 is mainly attributable to the expense related to the stock options granted in the period, and increased promotional activity in the period.

Liquidity and Capital Resources

The Company is an exploration stage company and has to raise funds by the issuance of its common share or other financial instruments, or by entering partnering or joint venture arrangements. As at September 30, 2019 the Company had cash on hand of \$83,314 and will need to raise additional capital to fund its planned exploration activities.

Related party transactions

	Nine months ended September 30,	
	2019	2018
Directors' fees	\$ 7,500	\$ 450
Management and consulting fees	179,500	136,000
Geological consulting fees	143,500	16,550
Share based payments	120,870	27,703
	\$ 451,370	\$ 180,703

At September 30, 2019, an amount of \$126,453 (December 31, 2018 - \$34,290) was included in accounts payable and accrued liabilities for unpaid amounts relating to fees and expenses owed to officers and directors, and to companies controlled by them.

Risks and uncertainties

The Company is subject to a number of risks and uncertainties, each of which could have an adverse effect on its results, business prospects or financial position.

The Company's securities should be considered a highly speculative investment and investors should carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company. For a comprehensive list of the risks and uncertainties applicable to the Company, please refer to the Company's Annual MD&A for the year ended December 31, 2018.

Forward Looking Statements

All statements in this discussion, other than statements of historical facts, that address future exploration drilling, exploration activities, anticipated metal production, internal rate of return, estimated ore grades, commencement of production estimates and projected exploration and capital expenditures (including costs and other estimates upon which such projections are based) and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include metal prices, exploration success, continued availability of capital and financing, as well as general economic, market or business conditions. Accordingly, readers should not place undue reliance on forward-looking statements.