

PRIME MERIDIAN RESOURCES CORP.

Management's Discussion & Analysis

For the Three and Nine Months Ended September 30, 2019

This management's discussion and analysis of Prime Meridian Resources Corp. (the "Company") contains analysis of the Company's operational and financial results for the three and nine months ended September 30, 2019 and 2018. The following should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2018. All figures are in Canadian dollars unless otherwise stated.

DATE OF REPORT

November 28, 2019

JURISDICTION OF INCORPORATION AND CORPORATE NAME

Prime Meridian Resources Corp. ("the Company" or "PMR") was federally incorporated on February 22, 2007 and is a public company listed on the TSX Venture Exchange ("TSX-V"). The corporate head office of the Company is located at 14th Floor, 1040 West Georgia Street, Vancouver, B.C., V6E 4H8. In August 2016, the Company's shares were halted from trading and the Company is currently in the process of resuming trading upon successful completion of a change in business and financing transaction.

HIGHLIGHTS

Tango Gold Project - Mexico

On December 20, 2018, the Company announced it had entered into a binding term sheet for an option to purchase a 100% interest in the Tango gold project in southern Sinaloa state, Mexico. The Tango project consists of 3,954 hectares over four contiguous concessions, the concessions have over 100 historical workings, including larger tunnels and slopes as well as several smaller workings and pits.

The option agreement was finalized on January 10, 2019. Under the option agreement, Prime Meridian has the option to purchase 100 per cent of the holding company for the Tango project concessions, subject to a royalty, by making US\$5,000,000 in total purchase payments and holding cost payments within five years of the execution of the formal agreement between the parties and the requisite regulatory approvals. The total annual purchase and holding cost payments are:

- On or before January 31, 2019 – US\$40,000(paid);
- Year 1 – US\$185,000;
- Year 2 – US\$245,000;
- Year 3 – US\$305,000;
- Year 4 – US\$365,000;
- Year 5 – US\$425,000.

Prime Meridian will manage all aspects of the Tango project upon the execution of the formal agreement subject to being current on the payments due under the purchase option. Prime Meridian will contract the services of Michelle Robinson (principal of the vendor) or her mineral services company by paying monthly consulting fees, which will be accrued against the purchase payments under the purchase option. Ms. Robinson will apportion the appropriate amount of time per month and annually to the Tango project commensurate with the monthly consulting fees.

Prime Meridian has the option of making the final purchase payment (US\$5,000,000 less total purchase payments made to date) at the end of the first, second, third, fourth or five year of the term of the purchase option and the final purchase payment will be paid in cash (50%) and common shares (50%) of Prime Meridian based on the previous 30-day weighted average share price on the date of the payment.

Prime Meridian will spend a minimum of US\$250,000 annually on the development of the Tango project over the term of the purchase option. These development expenditures will not be accrued against the purchase payments under the purchase option. Prime Meridian will pay the annual property holding costs and taxes on the Tango project

PRIME MERIDIAN RESOURCES CORP.

Management's Discussion & Analysis

For the Three and Nine Months Ended September 30, 2019

over the term of the purchase option, and these payments will be accrued against the purchase payments under the purchase option.

Prime Meridian will make an initial payment of US\$40,000 to the vendor on or before January 31, 2019, that will be used by the vendor to pay holding costs and will be accrued against the required purchase payments for year 1.

The parties agree that should there be any production at the Tango project during the term of the purchase option, the profits will be apportioned 100 per cent to Prime Meridian, subject to a 2-per-cent royalty in favour of the vendor. The parties also agree that there will be a 20-kilometre area of influence around the boundaries of the Tango project. The binding term sheet and the formal agreement are subject to due diligence, execution of a formal agreement, and receipt of any required technical reports and regulatory approvals.

The Company will be conducting a non-brokered private placement financing of up to 15 million units at a price of 10 cents per unit to raise proceeds of up to \$1,500,000. Each unit will consist of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share at a price of 30 cents per share for 12 months from closing. The warrants will be subject to the right of the company to accelerate the exercise of the warrants if the shares of the company trade at or above 50 cents for a period of 10 consecutive trading days.

Tango Overview

The Tango property is comprised of four mining concessions covering an area of 3,954 ha and is situated in the municipality of El Rosario, in the southeastern region of Sinaloa state, Mexico. The Property is situated at the sub-tropical foothills of the Sierra Madre Occidental physiographic province, approximately 70 km southeast of Mazatlan. The local topography ranges from approximately 1,300 m at the top of Cerro San Cristobal mountains to approximately 280 m in the Guaymole river valley. Access to the Property from Mazatlan is by state highway and paved road to the town of Cacalotan, and then by dirt road into the Property. Total driving distance is approximately 111 road km over a period of four hours. The Property is semi-remote and without infrastructure other than dirt roads.

The Property is 100% owned by Minera Camargo S.A. de C.V., a company incorporated under the laws of Mexico ("Minera Camargo"). Minera Camargo maintains a surface rights agreement with Ejido Sitios de Picacho that permits Minera Camargo temporary access to communal lands to conduct exploration and exploitation activities. The Property is clear of federally protected natural areas and Minera Camargo possesses all relevant permits and licenses required to conduct surface exploration that does not involve clearing of surface vegetation. There are no known environmental liabilities.

Indigenous miners were known to have worked the silver and gold mineralization of the nearby El Rosario area prior to the arrival of the Spanish in 1530. While no records of exploration work are available until the 1980's, evidence of historical exploration and exploitation on the Property is evident from the presence of over 100 workings that have been located. Between 1983 and 2019, surface exploration work relevant to the current concession area consists of 3,849 surface samples – including 81 stream sediment samples, 85 colluvium samples, 1871 saprolite samples and 1802 rock samples (float, chip channel and grab). In addition, a total of 312 underground chip-channel samples have been collected from historical workings.

Surface mapping and campaigns at regional and property scales took place in 1983, 1984 and 2000 by the Servicio Geologico Mexicano (SGM), and in 2007 by Minera Camargo. In the mid 1990's a 200 m long tunnel was driven beneath the historical San Agustin mine by an unknown operator to access the historical workings of the mine. In 2008, Seafield Resources completed 1,747 m of reverse circulation (RC) drilling in 14 holes to test selected mineralized zones at Cocolmea, El Cobre and El Placer. The RC drilling campaign was unsuccessful at reproducing precious metal intersections reported in surface chip-channel samples even though the target structures were encountered in the drilling. In 2009, geochemical analyses utilizing Terraspec SWIR spectrometer and Niton GOLDD XRF methods on rock samples identified a zone of anomalous copper and molybdenum in the northern area of the

PRIME MERIDIAN RESOURCES CORP.

Management's Discussion & Analysis

For the Three and Nine Months Ended September 30, 2019

Tango 2 concession, referred to as the Pórfido del Cuervo target. This initiated subsequent work programs in search for porphyry style mineralization in the area. Between 2013 and 2014, two bulk samples totaling 2,800 tonnes of material were collected from the San Agustin mine by Minerals Vane and processed at the San Dieguito de Arriba ("SDA") mill at Acaponeta, Nayarit, to test for metallurgical recovery.

Recent exploration by Minera Camargo in 2018 through to early-2019 consists of mapping and sampling of 26 historical workings, and prospecting for molybdenite-bearing quartz vein mineralization at the Pórfido del Cuervo target. In 2018, radiometric age dating of a molybdenite-bearing quartz vein (sample UNAM 20817) returned an age date of 66.31 ± 0.33 Ma, supporting the hypothesis that the geology underlying the Property is potentially older than previously mapped. An additional five radiometric age dating samples were collected to confirm the original age date and to address timing of molybdenite-quartz veining relative to the timing of intrusions on the Property.

The Property is underlain by Cretaceous to Oligocene mafic to felsic volcanic coherent flows, pyroclastic flows and volcanoclastic deposits that are intruded by Oligocene to mid-Miocene granitoids, rhyolitic domes and late dikes. Mineralization and alteration characteristics within the Tango property are typical of low-sulfidation epithermal vein deposits type that is common to the region. Locally there is evidence that the surface expressions of these mineralized structures are geologically situated at the top of the hydrothermal system. Such evidence includes a) the presence of boiling textures, b) the presence of void spaces within quartz veins, and c) the presence of relatively high precious metal concentrations compared to base metal concentrations. Minera Camargo has confirmed significant gold and silver mineralization in 26 historical underground tunnels, mine workings and surface excavations. These include larger tunnels and stopes such as San Agustin, La Gloria and La Flauta. In addition, the geological setting has the potential to host porphyry style mineralization as suggested by preliminary work within the Pórfido del Cuervo target area of the Tango 2 concession.

Bruce and Camping Lake Gold Projects, Ontario

On September 23, 2019, the Company entered into an option agreement with 15444230 Ontario Inc., pursuant to which the Company has an option to acquire two sets of mineral claims covering 4,250 acres in the Bruce Lake area and 6,250 acres in the Camping Lake area, both in the Red Lake mining district in Ontario. In consideration, the Company will issue 400,000 shares and make payments totalling \$25,500 in the first year. Additional payments totalling \$61,000 are due over the following three years. The acquisition is subject to a 1.5% net smelter royalty, of which 0.75% can be purchase by the Company for \$500,000. Payments are as follows:

- \$13,500 cash payment to the vendor on signing of the letter of intent (payment has been made);
- Issuance of 200,000 common shares to the vendor on TSX Venture Exchange acceptance of the formal agreement;
- \$12,000 cash payment and issuance of 200,000 common shares to the vendor on the first anniversary of the execution of the letter of intent;
- \$16,000 cash payment to the vendor on the second anniversary of the execution of the letter of intent;
- \$20,000 cash payment to the vendor on the third anniversary of the execution of the letter of intent;
- \$25,000 cash payment to the vendor on the fourth anniversary of the execution of the letter of intent;
- The vendor will retain a 1.5-per-cent net smelter return royalty on all mineral production, 0.75 per cent of which can be purchased by Prime Meridian Resources for \$500,000;
- The transaction and formal agreement are subject to acceptance by the TSX-V.

The Bruce Lake project comprises of 4,250 acres located to the southeast of Great Bear Resources' Dixie Project. The Camping Lake project comprises of 6,250 acres southeast of Great Bear Resources' Packwash Project.

OUTLOOK

The Company will need additional funding for its corporate and overhead expenses in near future through either equity or debt financing. Many factors influence the Company's ability to raise funds, including the health of the

PRIME MERIDIAN RESOURCES CORP.

Management's Discussion & Analysis

For the Three and Nine Months Ended September 30, 2019

capital market and the Company's track record. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favorable. Prime Meridian will continue its policy of minimizing general and administration and exploration expenditures to conserve cash and protect assets.

SUBSEQUENT EVENTS

- a) On xxxxx, 2019, the company issued 200,000 shares 1544230 Ontario Inc. as per the Bruce and Camping Lakes option agreement.
- b)

SELECTED ANNUAL FINANCIAL INFORMATION

The financial data presented below for the current and comparative periods was prepared in accordance with IFRS. The functional and reporting currencies of the parent and subsidiary have been determined to be the Canadian dollar.

Results of Operations

The following financial data are derived from our consolidated financial statements for the years ended December 31, 2018, 2017 and 2016:

| | December 31, 2018 | December 31, 2017 | December 31, 2016 |
|----------------------------------|----------------------|----------------------|----------------------|
| Revenues | \$ - | \$ - | \$ - |
| Expenses | 857,280 | 768,169 | 537,279 |
| Other expenses (income) | 8,582 | 653,383 | (516) |
| Net loss | 865,862 | 1,421,552 | 536,763 |
| Comprehensive loss | 875,640 | 1,386,734 | 516,972 |
| Basic and diluted loss per share | 0.04 | 0.07 | 0.03 |
| Total current assets | 2,083 | 8,773 | 89,733 |
| Total assets | 2,083 | 74,132 | 363,606 |
| Total current liabilities | 3,953,795 | 3,150,204 | 2,052,944 |
| Total liabilities | 3,953,795 | 3,150,204 | 2,052,944 |

The Company's expenses have been increasing over the past three years as the Company began re-structuring its balance sheet in 2014, cultivating with our change of business transaction in 2016, 2017 and 2018 (see Highlights). The Company terminated its change of business transaction entered into in 2017, in March 2018. The Company reviewed different mining properties in 2018 before entering into an option agreement for the Tango Gold property in December 2018.

Summary of quarterly reports

| | Sep. 30, 2019 | Jun. 30, 2019 | Mar. 31, 2019 | Dec. 31, 2018 |
|----------------------------------|------------------|------------------|------------------|------------------|
| Expenses | \$ 460,167 | \$ 311,663 | \$ 344,926 | \$ 297,358 |
| Other (income) expenses | - | (9,254) | (34,931) | 13,082 |
| Net loss | (460,167) | (302,409) | (309,995) | (300,440) |
| Comprehensive loss | (467,643) | (289,182) | (306,688) | (303,110) |
| Basic and diluted loss per share | (0.02) | (0.01) | (0.01) | (0.01) |
| Total current assets | 142,436 | 15,956 | 5,038 | 2,083 |
| Total assets | 324,747 | 115,365 | 81,171 | 2,083 |
| Total current liabilities | 4,590,312 | 4,662,947 | 4,339,571 | 3,953,795 |
| Total liabilities | 4,590,312 | 4,662,947 | 4,339,571 | 3,953,795 |

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

| | Sep. 30, 2018 | Jun. 30, 2018 | Mar. 31, 2018 | Dec. 31, 2017 |
|----------------------------------|------------------|------------------|------------------|------------------|
| Expenses | \$ 168,248 | \$ 210,857 | \$ 180,817 | \$ 197,317 |
| Other (income) expenses | 500 | (1,500) | (3,500) | (664,243) |
| Net loss | (168,748) | (212,357) | (184,317) | (858,786) |
| Comprehensive loss | (145,816) | (225,913) | (200,801) | (877,336) |
| Basic and diluted loss per share | (0.01) | (0.01) | (0.01) | (0.04) |
| Total current assets | 19,646 | 16,296 | 41,372 | 8,773 |
| Total assets | 52,510 | 49,160 | 32,864 | 74,132 |
| Total current liabilities | 3,641,112 | 3,519,946 | 3,351,109 | 3,150,204 |
| Total liabilities | 3,641,112 | 3,519,946 | 3,351,109 | 3,150,204 |

The Company had an increase in expenses in the past three quarters due costs incurred for Camargo mining acquisition. During the quarters ended March 31, 2019, June 30, 2019 and September 30, 2019, the Company incurred \$150,195, \$86,166 and \$74,016, respectively, of exploration expenses related the Tango project in Mexico.

Results of Operations for the Three Months Ended September 30, 2019 and 2018

The net comprehensive loss for the three-month period ended September 30, 2019 was \$467,643 (2018 - \$1,051,513). Major expenditures during the quarter were:

- Consulting \$121,363 (2018 - \$76,522);
- Exploration and evaluation expenses \$74,016 (2018 - \$nil);
- Marketing and advertising \$49,930 (2018 - \$nil);
- Professional fees \$10,107 (2018 - \$4,500);
- Rent and administrative \$35,568 (2018 - \$30,568);
- Transfer agent and filing fees \$10,189 (2018 - \$7,304);
- Interest expense \$159,575 (2018 - \$61,752)

The Company incurred higher expenses during the quarter ended September 30, 2019, than the comparative prior year quarter, due to the exploration expenses incurred on the Tango property and higher interest expense due on loans.

Results of Operations for the Nine Months Ended September 30, 2019 and 2018

The net comprehensive loss for the nine-month period ended September 30, 2019 was \$1,063,513 (2018 - \$572,530). Major expenditures during the quarter were:

- Consulting \$314,862 (2018 - \$217,589);
- Exploration and evaluation expenses \$310,377 (2018 - \$nil);
- Foreign exchange gain \$29,464 (2018 - loss of \$15,563);
- Marketing and advertising \$60,017 (2018 - \$15,000);
- Rent and administrative \$95,696 (2018 - \$96,311);
- Transfer agent and filing fees \$19,260 (2018 - \$13,500);
- Interest expense \$321,843 (2018 - \$182,524)

Expenses were in the nine-month period ended September 30, 2019 were higher than the comparative nine month period in the prior year, due to exploration expenses incurred on the Camargo property, higher interest costs and The loss in the six month period was partially off-set by the recovery of advances related to the South African farming asset acquisitions previously written-off.

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

LIQUIDITY AND CAPITAL RESOURCES

| | September 30, 2019 | December 31, 2018 |
|----------------------------|--------------------|-------------------|
| Current assets | \$ 142,436 | \$ 2,083 |
| Current liabilities | 4,602,947 | 3,953,795 |
| Shareholders' deficiency | (4,277,565) | (3,951,712) |
| Working capital deficiency | (4,459,876) | (3,951,712) |

As at September 30, 2019, the Company had cash of \$929 (December 31, 2018 - \$583) and negative working capital of \$4,459,876 (December 31, 2018 - \$3,951,712). As at September 30, 2019, the Company has received \$760,285/US\$574,103 (December 31, 2018 - \$705,180/US\$525,000) in loans (principal) from non-related parties. The Company's capital requirements heavily upon the capital markets to finance its activities. There can be no assurance the Company will be able to obtain required financing in the future on terms acceptable to the Company.

Share Capital

Authorized: unlimited common voting shares, without par value.

No common shares were issued during the nine months ended September 30, 2019 and 2018.

Stock options

The Company has adopted an incentive stock option plan (the "SOP"), as amended, under the rules of the TSX-V pursuant to which it is authorized to grant options to executive officers, directors, employees and consultants, enabling them to acquire up to 20% of the issued and outstanding common shares of the Company. Under the SOP, the option exercise price of any option granted shall be equal to the greater of either the amount designated by the administrator at the time of grant, or the discounted market price of the Company's common shares for the 10 trading days immediately preceding the day on which the TSX-V received notice that options have been granted under this SOP. For the purpose of the SOP, the discounted market price is calculated in accordance with the policies of the TSX-V at the time of grant of the options. The administrator may also determine that the option exercise price per common share may escalate at a specified rate or rates. The options can be granted for a maximum term of 5 years and vest immediately. No individual may hold options to purchase common shares of the Company exceeding 5% of the total number of common shares outstanding from time to time. Pursuant to the policies of the TSX Venture Exchange, shares issued upon the exercise of options are restricted from trading during the 4 month period subsequent to the exercise of the options. For stock options granted to employees, officers, directors and consultants, the Company recognizes stock based compensation expense based on the estimated fair value of the stock options granted as calculated using the Black-Scholes Option-Pricing Model on the date of the grant.

No stock options were issued by the Company during the nine months ended September 30, 2019 and 2018, and no stock options are outstanding as at September 30, 2019 (December 31, 2018 – nil).

Warrants

During the nine-month period ended September 30, 2019, the Company issued 7,376,600 warrants having an exercise price of \$0.30 per warrant and a one year expiry.

As at September 30, 2019, the following warrants were outstanding:

| Expiry Date | Exercise Price | Number of Warrants | Remaining Years |
|----------------|----------------|--------------------|-----------------|
| August 5, 2020 | \$0.30 | 7,376,600 | 0.9 |

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

COMMITMENTS

The Company does not have any significant commitments, other than those discussed above under exploration and evaluation assets.

OFF-BALANCE SHEET ARRANGEMENTS

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

RELATED PARTIES AND KEY MANAGEMENT COMPENSATION

Key management compensation

The Company entered into transactions, including compensation of key management, with the following related parties:

| Name | Relationship | Nature of Transaction | Fees incurred period ended Sep. 30, 2019 | Fees incurred period ended Sep. 30, 2018 | Balance payable at Sep. 30, 2019 | Balance payable at December 31, 2018 |
|-------------------------------------|---|-----------------------------|--|--|----------------------------------|--------------------------------------|
| Nexvu Services Inc. | Owned by Nexvu Capital, of which Brian Leeners is a shareholder | Rent and corporate services | \$ 90,000 | \$ 90,000 | \$ 504,775 | \$ 420,450 |
| Brian Leeners | Chief executive officer and director | Management services | 90,000 | 90,000 | 471,600 | 448,400 |
| Global Link Capital | Greg Pearson, director of the Company, is a shareholder | Management services | 90,000 | 90,000 | 470,725 | 423,725 |
| Tyler Thorburn | Director | Consulting | 98,363 | - | - | - |
| Gordom J. Fretwell, Law Corporation | Gordom Fretwell is a shareholder of Nexvu Capital Corporation | Legal services | 17,071 | 13,500 | 122,963 | 105,692 |
| AE Financial Management Ltd. | Edward Low, chief financial officer, is a shareholder | Accounting services | 30,500 | 30,500 | 131,710 | 119,525 |
| | | | \$ 415,934 | \$ 314,000 | \$ 1,701,773 | \$ 1,517,792 |

Balances owing are included in accounts payable and accrued liabilities. They are due on demand, unsecured, non-interest bearing and have no specified terms of repayment.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

Information about critical judgments and estimates in applying accounting policies that have most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

- Going concern;
- Asset carrying values and impairment charges;
- Recoverability of advances receivable;
- Income taxes and recoverability of potential deferred tax assets; and

NEW ACCOUNTING STANDARDS

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our Condensed Consolidated Financial Statements for the nine-month period ended September 30, 2019.

CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company's objectives when managing capital are to:

- Ensure there are adequate capital resources to manage the Company's ability to continue as a going concern;
- Maintain adequate levels of funding to sustain the required current investments and any new capital investments;
- Maintain investor, creditor and market confidence to sustain future development of the business; and
- Provide returns to shareholders and benefits for other stakeholders.

The Company classifies its share capital and contributed surplus as capital, which at September 30, 2019 totalled \$9,997,493 (December 31, 2018 - \$9,259,833). The Board of Directors does not establish qualitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company will continue to assess new investments and seek to acquire an interest in investments if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Details of the Company's financial instruments, management's assessment of their related risks and details of management of those risks are as follows:

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, marketable securities, GST/HST receivable, reclamation bond, accounts payable and accrued liabilities, and payable to related parties.

The Company maintains cash deposits with financial institutions, which, from time to time, may exceed federally insured limits. The Company has not experienced any losses and believes it is not exposed to any significant credit risk from cash.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The Company does not have any asset backed commercial paper.

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

(i) Interest rate risk

Interest rate risk consists of the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and cash equivalents consists primarily of cash held in bank accounts and loans payable are based on fixed interest rates. Therefore, fluctuation in market rates do not have a significant impact on estimated fair values as at March 31, 2019.

(ii) Foreign currency risk

The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received, and balances maintained by the Company are denominated in currencies other than the Canadian dollar including the US. The Company had net monetary liabilities totaling \$1611,208 in US dollars at September 30, 2019. The Company's sensitivity analysis suggests that a change in the absolute rate of exchange in the US dollar by 2% would increase or decrease net income (loss) by \$42,674 for the nine-month period ended September 30, 2019.

(iii) Credit risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations and arises principally from its receivables. The Company's credit risk is primarily attributable to advances receivables. The carrying amount of advances receivable, net of any allowances, represents the Company's maximum exposure to credit risk. As of March 31, 2019, the Company did not have sufficient credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk by maintaining cash. Liquidity requirements are managed based on expected cash flow to ensure there is capital to meet short term and long-term obligations. At September 30, 2019, the Company did not have sufficient cash on hand to pay its short-term creditors and does not generate cash from its operations. Accordingly, liquidity risk is considered high.

OTHER RISK FACTORS

The Company has applied to the TSX-Venture Exchange for its change of business to a Tier 2 Investment Issuer on the TSX Venture Exchange focused on the acquisition and financing of companies in the agriculture and agriculture technology sectors. These activities involve a high degree of risk which, even with a combination of experience, knowledge and careful evaluation, may not be overcome. Consequently, no assurance can be given that our investments will be successful.

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities and properties, 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 favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

A number of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

participate, the directors of The Company may have a conflict of interest in negotiating and concluding terms respecting such participation. Further, certain of the directors and officers are involved in other copper exploration companies and other companies that are developing mines. As a result, conflicts of interest may arise and officers and directors cannot devote 100% of their time to the Company.

The Company has invested resources to document and analyze its system of internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

LEGAL MATTERS

The Company is not currently, and has not at any time during our most recently completed fiscal year, been party to, nor has any of its properties been the subject of, any material legal proceedings or regulatory actions.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of the Company's internal controls over financial reporting ("ICFR") as required by National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). ICFR is intended to provide reasonable assurance regarding the preparation and presentation of financial statements for external purposes in accordance with applicable generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations.

Based on a review of its internal control procedures at the end of the period covered by this MD&A, management has determined that the Company's internal controls over financial reporting have been effective to provide reasonable assurance regarding the reliability of financing reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in the Company's internal controls over financial reporting that occurred during the period that have materially affected, or are reasonably likely to affect, our internal control over financial reporting.

However, even those systems determine to be effective can provide only reasonable assurance with respect to financial statement and preparation. A control system, no matter how well conceived or operated can provide only reasonable, not absolute, assurance and are not expected to prevent all errors and fraud.

ADDITIONAL INFORMATION

Additional information about the Company is available at the website of the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

APPROVAL

The board of directors has approved the disclosure contained in this MD&A.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy, exploration plans, and environmental protection requirements. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may",

PRIME MERIDIAN RESOURCES CORP.
Management's Discussion & Analysis
For the Three and Nine Months Ended September 30, 2019

"could", "might", or "will" occur. Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company to be materially different from those expressed or implied by such forward-looking information. These risks and uncertainties include risk and uncertainties associated with the mining industry and the exploration and development of mineral projects, such as the uncertainty of exploration results, the volatility of commodity prices, potential changes in government regulation, the uncertainty of potential title claims against the Company's projects, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally, such as international political or economic developments, changes in interest rates and the condition of financial markets, and changes in exchange rates.

Forward-looking information is based on assumptions and expectations which the Company considers to be reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. Prime Meridian Resources Corp. does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

Directors and Officers

Brian Leeners – Director, CEO

Greg Pearson, - Director

Tyler Thorburn – Director

Maria Conejo – Director

Ed Low – CFO

Gord Fretwell – Corporate Secretary