



MANAGEMENT DISCUSSION & ANALYSIS

For the Year Ended

April 30, 2019

Management's Discussion and Analysis

This management's discussion and analysis (MD&A) for Gespeg Resources Ltd. (formerly Gespeg Copper Resources Inc.) (the "Corporation") should be read in conjunction with the audited annual financial statements of April 30, 2019. The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Corporation presents its results in Canadian (CDN) dollars. All amounts in this MD&A are in Canadian dollars unless otherwise indicated.

Forward Looking Statements

Certain statements in this document that are not supported by historical facts are forward-looking, which means that they are subject to risks, uncertainties and other factors that may result in actual results differing from those anticipated or implied by such forward-looking statements. There are many factors that may cause such a disparity, notably unstable metal prices, the impact of fluctuations in foreign exchange markets and interest rates, inaccurate resources estimates, environmental risks (more stringent regulations), unexpected geological events, unfavourable mining conditions, political risks arising from mining in developing countries, changing regulations and government policies (laws or policies), failure to obtain required permits and approval from government authorities, or any other risk related to mining and development.

Even though the Corporation believes that the assumptions relating to the forward-looking statements are plausible, readers are cautioned to not place undue reliance on such statements, which are valid only as of the date of this document.

Additional information about the Corporation can be found under the Gespeg Copper Resources Inc. profile on the SEDAR website (www.sedar.com).

Date

This MD&A was prepared as of August 28, 2019.

Description of the Business

The Corporation was incorporated under the laws of British Columbia on May 31, 2006 and is listed on the TSX Venture Exchange (“TSX-V”). The principal business of the Corporation is the identification, exploration and development of mineral properties.

The Corporation is focusing on exploring and developing its copper mineral claims in the Gaspé region of Quebec, with a view to developing mineral occurrences and discovering economically viable mineral deposits.

The financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Corporation will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operation. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to twelve months from the end of the reporting period. The use of these principles may not be appropriate.

To date, the Corporation has not earned significant revenue and is considered to be in the identification and exploration stage.

The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Corporation’s assets. Mineral exploration and development is highly speculative and involves inherent risks. Realization of the Corporation’s investment in these assets is dependent upon the renewed legal ownership of the claims, and whether an economically viable operation can be established.

In addition, it has not yet been determined whether the Corporation’s properties contain ore reserves that are economically recoverable. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines.

As at April 30, 2019, the Corporations current committed cash resources are insufficient to cover expected expenditures in fiscal 2020. The Corporation’s ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurances that management will be successful in securing adequate financing.

The Corporation reported net losses in fiscal 2019 and fiscal 2018 of \$161,620 and \$277,479 respectively. These recurring losses and the need for continued financing to further successful exploration may cast significant doubt as to the Corporation’s ability to continue as a going concern.

The financial statements do not include any adjustments to the carrying values of asset and liabilities that might be necessary, if the Corporation is unable to continue as a going concern. Such adjustments could be material.

The technical disclosure contained in this MD&A was prepared by Bernard-Olivier Martel, P.Geo, a consultant to the Corporation. Mr. Martel is a “qualified person” within the meaning of National Instrument 43-101.

Selected Financial Information

For the periods ended	April 30, 2019	April 30, 2018	April 30, 2017
Cash	\$ 34,137	\$ 50,378	\$ 43,398
Exploration and evaluation assets	\$ 14,192	\$ 39,713	\$ 4
Total assets	\$ 88,591	\$ 97,495	\$44,806
Total liabilities	\$ 373,856	\$603,318	\$470,225
Shareholders' equity (deficiency)	\$(285,265)	\$(505,823)	\$(425,419)
Total operating expenses	\$ 451,489	\$280,059	\$2,392,370
Other income on settlement of flow-through premium liability	\$ 13,039	\$2,580	\$2,800
Gain on disposal of exploration and evaluation asset	\$ 46,737	\$-	\$-
Gain on shares for debt settlement	\$ 230,093	\$-	\$-
Income tax expense (recovery)	\$-	\$-	\$-
Net loss	\$ 161,620	\$277,479	\$2,389,570
Loss per share, basic	\$0.00	\$0.00	\$0.03
Loss per share, diluted	\$0.00	\$0.00	\$0.03

Quarterly Results of Operations (unaudited)

	Three Months Ended			
	April 30, 2019	January 31, 2019	October 31, 2018	July 31, 2018
Total operating expenses	\$196,326	\$64,805	\$100,708	\$89,650
Net income (loss) for the period	\$33,767	\$(64,805)	\$(49,785)	\$(80,797)
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
	April 30, 2018	January 31, 2018	October 31, 2017	July 31, 2017
Total operating expenses	\$77,620	\$26,976	\$53,035	\$122,428
Net loss for the period	\$(75,040)	\$(26,976)	\$(53,035)	\$(122,428)
Loss per share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Three month period ended April 30, 2019 and 2018:

For the three months ended April 30, 2019, the Corporation recorded net income of \$33,767 (\$0.00 per share), compared to loss of \$75,040 (\$0.00 per share) in the three months ended April 30, 2018. The primary difference between the two periods is the \$46,737 gain on disposal of exploration and evaluation asset (2018 - \$nil), \$230,093 gain on shares for debt settlement (2018 - \$nil) offset by the \$51,458 impairment of exploration and evaluation assets (2018 - \$11,312), \$39,550 professional fees (2018 - \$16,503) and \$67,040 property investigation costs (2018 - \$nil).

Years Ended April 30, 2019 and 2018:

For the year ended April 30, 2019, the Corporation recorded a net loss of \$161,620 compared to a loss of \$277,479 in fiscal 2018.

	Years Ended April 30	
	2019	2018
General and administration ¹	\$ 53,154	\$ 29,790
Impairment of exploration and evaluation assets	51,458	11,312
Management fees ¹	90,000	55,000
Professional fees ²	102,480	54,307
Property investigation costs ³	136,354	15,920
Share-based compensation ⁴	-	95,000
Transfer agent and filing fees ⁵	18,043	18,730
	\$451,489	\$280,059

Notes:

1. General and administration and management fees totalled \$143,154 in the year ended April 30, 2019 compared to \$84,790 for 2018. The increase relates to the Corporation increasing corporate activity resulting in increased general and administration. In addition, Management fees resumed for the CFO in fiscal 2019.
2. Professional fees for the year were \$102,480, an increase of \$48,173 from 2018. The increase is attributable to the timing of the Corporation's activities which require professional services. More specifically, the Corporation incurred significant costs related to pursuing a property acquisition.

3. Property investigation costs relate to expenses incurred on properties the Corporation does not own or have a contractual right to. These properties being investigated could become properties of the Corporation in the future.
4. Share-based compensation of \$nil in fiscal 2019 and \$95,000 in fiscal 2018 relates to a revaluation adjustment associated with extending the expiry date of warrants in fiscal 2018.
5. The transfer agent and filing fees for the year were \$18,048 compared to \$18,730 in 2018. The cost is consistent between the two periods. Transfer agent and filing fees fluctuate with the timing of the Corporation's financing activities and the number of shares issued and outstanding during the period.

Cash Flow:

Year Ended April 30, 2019 and 2018:

Net cash used in operating activities in the year was \$153,389 compared to \$58,182 net cash used in 2018, an increase in cash used of \$95,207. The increase year-over-year relates to the timing of accounts payables payments and collection of tax credits and a general increase of corporate activities.

Net cash used in investing activities in the year was \$138,393 compared to \$15,532 in 2018, an increase in cash used of \$122,861. The change in investing activity is effected by the timing of exploration programs based on the availability of funds in the Company and the timing of resource input credits received from the Quebec government.

Net cash generated in financing activities was \$275,541 in the year and \$80,694 in the comparative period. The cash generated in financing activities is subject to junior market conditions and the Company's need for cash based on planned exploration programs.

For the year ended April 30, 2019 the Corporation had a decrease in cash of \$16,241 compared to a \$6,980 increase in the comparative period.

Exploration

During the year ended April 30, 2019, the Corporation continued its property investigation activities and had reduced exploration activities to preserve cash.

After the reporting period the Corporation ceased its property investigation activities and cancelled the letter agreement with DNA Canada Inc. ("DNA").

Analysis of Acquisition and Exploration Costs

	Balance as at May 1, 2017	Additions	Impairment/ Disposals	Balance as at April 30, 2018
Vortex	\$ 1	\$ 11,310	\$ (11,310)	\$ 1
Port Daniel	1	39,711	-	39,712
Cap-Chat	1	-	(1)	-
Cascapedia extension	1	-	(1)	-
	\$ 4	\$ 51,021	\$ (11,312)	\$ 39,713

	Balance as at May 1, 2018	Additions	Impairment/ Disposals	Balance as at April 30, 2019
Vortex	\$ 1	\$ 9,434	\$ -	\$ 9,435
Port Daniel	39,712	11,746	(51,458)	-
Lac Arsenault	-	4,757	-	4,757
	\$ 39,713	\$ 25,937	\$ (51,458)	\$ 14,192

Vortex

The Vortex project is a copper molybdenum exploration opportunity in the Gaspé region of Quebec and is the site of the former Gaspé Copper mine and smelter. The project encompasses 80 sq. km of land and is comprised of three main claim groups:

- a. The Sullipek deposit, situated on the western edge of the project area;
- b. The Sullipek East property, a skarn/porphyry copper opportunity; and
- c. The Madeleine des Vercheres claim group.

On July 23, 2013, the Corporation and ASPM Inc. (the "Vendor") executed a term extension on the Madelaine des Vercheres claim group. Under the terms of the extension, the Corporation was required to make a one-time payment of \$30,000 to the Vendor (paid).

Also, considered a part of the Vortex is the In-between project, a copper molybdenum exploration opportunity in the Gaspé region of Quebec. It covers lands between Vortex to the west and Murdochville to the east. This area was claimed in 2011 and a geophysical survey was executed in 2012. The 2012 survey showed 436 targets and 141 priority one targets to be further explored in the future.

During the year ended April 30, 2018, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the properties accordingly the Corporation recorded a write down in the amount of \$11,310.

Port Daniel

Port Daniel is a copper mineral opportunity located in the south region of the Gaspé Peninsula of Quebec.

During the year ended April 30, 2019, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the property and accordingly the Corporation recorded a write down in the amount of \$51,458.

Montauban

Montauban is a gold mineral opportunity located in the regions of Chavigny and Portneuf townships of Quebec.

On June 9, 2017 and September 26, 2017, the Corporation signed a binding letter agreement with DNA Canada Inc, whereby the Corporation will acquire up to a 50% undivided interest in 65 mining claims for consideration as follows:

- a. Earn a 10% interest; by delivering a compliant 43-101 report on all existing tailings and issuing 3,000,000 common shares;
- b. Earn an additional 15% interest; obtaining all required permits and issuing 5,000,000 common shares
- c. Earn an additional 25% interest; by starting production of the tailings and issuing 10,000,000 common shares

Subsequent to the year ended April 30, 2019, the Corporation cancelled the letter agreement.

Cap-Chat

The Cap-Chat property is a copper, gold and zinc exploration opportunity in the north-central region of the Gaspé Peninsula of Quebec.

On July 21, 2015, the Corporation entered into an option agreement with Dan Lepage and Pierre Ross (the "Optionors") whereby the Corporation can acquire a 100% interest in the Cap-Chat property by making a cash payment of \$10,000 on signing of the agreement (paid) and issuing a total of 1,000,000 common shares to the Optionors on approval from the TSX-V (issued at a fair value of \$37,500).

The property is subject to a 3% net smelter return royalty, of which 1.5% can be purchased by the Corporation for \$1,500,000.

During the year ended April 30, 2017, the Corporation reviewed its exploration and evaluation assets and determined economic conditions, commodity prices and the Corporation's future expenditure plans supported the need to impair the properties accordingly the Corporation recorded a write down in the amount of \$50,740.

During the year ended April 30, 2018, the Corporation allowed the mineral claims to lapse and wrote the property to \$nil.

Cascapedia extension

During the year ended April 30, 2018, the Corporation allowed the mineral claims to lapse and wrote the property to \$nil.

Lac Arsenault

During the year ended April 30, 2019 the Corporation entered into an agreement to acquire 15 mining claims in the southern part of the Gaspé Peninsula, Quebec in exchange for 100,000 common shares of the Corporation (issued at a fair value of \$3,500).

Quarry 1272

During the year the Corporation sold 100% of its interest in its remaining Quarry 1272 mineral claim in exchange for net proceeds of \$46,737.

Net smelter royalty

As part of the acquisition of the Vortex claims, the Corporation entered into an agreement with 49 North Resources Inc. to grant a 2% net smelter return “NSR” royalty from the sale of all copper-molybdenum lands portion of the property, excluding the Port Daniel property. The Corporation may, at any time reduce the NSR from 2% to 0.5%, by making a cash payment of \$1,000,000 to 49 North.

Financing

Issuance of common shares:

On October 17, 2017, the Corporation completed a financing of 733,333 units at an issue price of \$0.06 per unit and 625,000 flow-through common shares at an issue price of \$0.08 per flow-through common share for gross proceeds of \$94,000. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one-half common share purchase warrant with an exercise price of \$0.10 and a term of 36 months. In connection with the financing, the Corporation issued 37,187 broker warrants and paid cash share issue costs totaling \$13,306.

On May 31, 2018, the Corporation completed a financing of 6,825,000 units at an issue price of \$0.03 per unit for gross proceeds of \$204,750. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one common share purchase warrant with an exercise price of \$0.06 and a term of 24 months.

On June 14, 2018, the Corporation completed a financing of 2,866,667 units at an issue price of \$0.03 per unit for gross proceeds of \$86,000. Each unit subscription entitles the holder to one non-flow-through common share of the Corporation and one common share purchase warrant with an exercise price of \$0.06 and a term of 24 months. In connection with the May and June financings, the Corporation issued 160,000 broker warrants and paid cash share issue costs totaling \$17,162.

On August 13, 2018, the Corporation issued 100,000 pursuant to a property purchase agreement. The shares were valued at \$3,500, in total.

On March 4, 2019, the Corporation issued 3,281,422 common shares pursuant to shares for debt settlements, approved by the shareholders on January 11, 2019. The shares were issued at a value of \$98,442, resulting in a gain on shares for debt settlement of \$230,093.

On April 8, 2019, the Corporation issued 300,000 pursuant to a property purchase agreement. The shares were valued at \$9,000, in total.

Share-based compensation

The directors of the Corporation have adopted, and the shareholders have approved a stock option plan (the “Option Plan”), pursuant to which the directors may from time to time grant options for up to 10% of its issued and outstanding shares. The purpose of the Option Plan is to attract, retain and motivate directors, employees and consultants of the Corporation and to advance the interests of the Corporation by

providing such persons with the opportunity, through stock options, to acquire an equity interest in the Corporation.

	April 30, 2019		April 30, 2018	
	Options	Price	Options	Price
Outstanding and exercisable, beginning of period	-	\$ -	2,450,000	\$ 0.15
Options expired - unexercised	-	-	(2,450,000)	0.15
Outstanding and exercisable, end of period	-	\$ -	-	\$ -

The weighted average remaining life of the Corporation's outstanding stock options is nil years as at April 30, 2019 (2018 - nil years).

Related party transactions

Compensation of key executive personnel:

Year ended April 30,	2019	2018
Consulting fees to officers	\$ 90,000	\$ 55,000

Consulting fees paid or accrued to directors and officers or companies controlled by directors and officers are recorded in management fees, general and administrative or, as applicable, capitalized to the exploration and evaluation assets.

Sylvain Laberge, a director and officer of the Corporation provided consulting services to the Corporation. Fees accrued during the year ended April 30, 2019 were \$60,000 (2018 - \$55,000) expense was recorded in management fees. As at April 30, 2019 the Corporation owed \$86,362 (April 30, 2018 - \$187,369) related to such services, which is included in accounts payable and accrued liabilities.

Andrew Davidson, a director and officer of the Corporation provided consulting services to the Corporation. Fees accrued during the year ended April 30, 2019 were \$30,000 (2018 - \$nil) expense was recorded in management fees. As at April 30, 2019 the Corporation owed \$16,500 (April 30, 2018 - \$73,450) related to such services, which is included in accounts payable and accrued liabilities.

Events After The Reporting Period

On May 2, 2019 the Corporation cancelled the letter agreement, pertaining to the Montauban project, with DNA Canada Inc., and is in discussion with DNA regarding reimbursement of project investigation costs.

On June 21, 2019 the Corporation changed its name to Gespeg Resources Ltd.

Off-Balance Sheet Arrangements

None.

Critical Accounting Estimates

The Corporation's financial statements have been prepared in accordance with IFRS. The preparation of financial statements in accordance with IFRS required management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the date of the financial statements. Actual results could differ from these estimates. The significant accounting policies used by the Corporation in this regard are discussed in detail in the notes to the 2019 annual audited financial statements. See Note 2 of the financial statements.

Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Corporation's other receivables and accounts payable and accrued liabilities approximate their carrying values. The Corporation's other financial instrument, being cash, is measured at fair value using Level 1 inputs.

The Corporation's risk exposures and the impact on the Corporation's financial instruments are summarized as follows:

Credit Risk

The Corporation's credit risk is primarily attributable to cash. The Corporation has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote.

Liquidity Risk

The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2019, the Corporation had a cash balance of \$34,137 to settle accounts payable and accrued liabilities of \$373,856.

The Corporation has historically relied on equity financings to satisfy its capital requirements and will continue to depend heavily upon equity capital and debt to finance its activities. There can be no assurance the Corporation will be able to obtain the required financing in the future on acceptable terms.

Interest rate risk

The Corporation is not exposed to risk in the event of interest rate fluctuations. The Corporation has not entered into any interest rate swaps or other financial arrangements that mitigate the exposure to interest rate fluctuations.

Capital Management

The Corporation's objectives when managing capital are:

- a. to allow the Corporation to respond to changes in economic and/or marketplace conditions by maintaining the Corporation's ability to continue its exploration programs;
- b. to provide sustained growth and value by increasing equity; and
- c. to maintain a flexible capital structure which optimizes the cost of capital at acceptable levels of risk.

The Corporation manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. The Corporation maintains or adjusts its capital level to enable it to meet its objectives by:

- a. raising capital through equity financings; and
- b. borrowing funds in the form of advances from related parties.

The Corporation is not subject to any capital requirements imposed by a regulator. There were no changes in the Corporation's approach to capital management during the current year. The Corporation's management is responsible for the management of capital and monitors the Corporation's use of various forms of leverage on a daily basis.

Risks and Uncertainties

The following discussion outlines a number of risks that management believes could impact the Corporation's business.

Financial Risk

Additional funds may be required in the future to finance exploration and development work. The Corporation has access to funds through the issuance of additional equity and borrowing. There can be no assurance that such funding will be available to the Corporation under current economic conditions. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Corporation or that it will provide the Corporation with sufficient funds to meet its objectives, which could adversely affect the Corporation's business and financial condition.

Title to Properties

Although the Corporation has taken reasonable measures to ensure proper title to its properties, there is no guarantee that titles to any of its properties will not be challenged or impugned. Third parties may have valid claims underlying portions of the Corporation's interests.

Industry Conditions

Mineral resource exploration and development involves a high degree of risk that even a combination of careful assessment, experience and know-how cannot eliminate. While the discovery of a deposit may prove extremely lucrative, few properties that undergo prospecting ever generate a producing mine. Substantial amounts may be required to establish ore reserves, develop metallurgical processes and build mining and processing facilities at a given site. There can be no assurance that the exploration and development programs planned by the Corporation will result in a profitable mining operation. The economic viability of a mineral deposit depends on a number of factors, some of which relate to the particular characteristics of the deposit, particularly its size, grade and proximity to infrastructure, as well as the cyclical nature of metal prices and government regulations, including those regarding prices, royalties, production limits, importation and exportation of minerals, and environmental protection. The impact of such factors cannot be precisely assessed but may prevent the Corporation from providing an adequate return on investment.

Government Regulation

The Corporation's activities must comply with the applicable legislation on exploration and development, environmental protection, obtaining of permits, and authorization of mining operations in general. The Corporation believes that it is in compliance in all material respects with such laws. Changing government regulations could have an adverse impact on the Corporation's operations.

Outlook

Management will continue to manage its funds very rigorously, its primary objective being to optimize return on investment for its shareholders. Its development strategy is focused on the discovery of economically viable deposits that will generate profits from mining and ensure the Corporation's survival. In applying its development strategy, management will take into account the global exploration context, stock market trends and the prices of copper and other metals.

Outstanding Share Data:

The Corporation is authorized to issue an unlimited number of common shares.

As of August 28, 2019, the number of common shares of the Corporation outstanding or reserved for issue under convertible securities is as follows:

Common shares	Number
Outstanding	86,039,934
Issuable under warrants and broker warrants	10,218,333
Issuable under stock options	-
Total diluted common shares	96,258,267