

MERIDIUS RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED AUGUST 31, 2019

This discussion and analysis of the financial position and results of operations are prepared as at December 23, 2019 and should be read in conjunction with the audited financial statements for the period ended August 31, 2019 and 2018 for Meridius Resources Limited (the "Company"). The audited financial statements for the year ended August 31, 2019, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable.

Forward Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "anticipate," "believe," "plan," "estimate," "expect," "intend" and similar expressions to the extent that they relate to the Company or its management or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including the ability to raise the necessary capital or to be fully able to implement its business strategies.

Forward-looking statements are not historical facts, but reflect the Company's current expectations and assumptions regarding future results or events. In particular, fluctuations in the securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its final long-form prospectus, technical reports and other information, may be accessed via www.sedar.com and readers are urged to review these materials.

Company Overview

During February 2018 the Company completed its initial public offering ("IPO"), by way of prospectus, of 6,500,000 common shares for gross proceeds of \$650,000 and on February 22, 2018 the Company's common shares were listed on the TSX Venture Exchange ("TSXV") as a Tier 2 resource company under the trading symbol "MRI". The Company is a reporting issuer in British Columbia and Alberta. The Company's principal office is located at 789 – 999 West Hastings Street, Vancouver, BC.

The Company is a junior mineral exploration company currently engaged in the acquisition and exploration of mineral resource properties.

Selected Annual Information

	Year Ended August 31, 2019 \$	Year Ended August 31, 2018 \$	July 10, 2017 to August 31, 2017 \$
Interest Income	-	5,583	-
Exploration and Evaluation Assets	-	-	-
Deficit	(694,137)	(502,014)	(127,219)
Comprehensive Loss	(192,123)	(374,795)	(127,219)
Basic and Diluted Loss Per Share	(0.02)	(0.04)	(0.20)

Results of Operations

Year Ended August 31, 2019 versus Year Ended August 31, 2018

During the year ended August 31, 2019, the Company incurred a comprehensive loss of \$192,123 compared to a comprehensive loss of \$374,795 for the year ended August 31, 2018. The change in comprehensive loss is primarily a result of:

- (i) Accounting and administrative of \$24,808 (2018 - \$14,796) due to accounting work needed to facilitate public company filing requirement.
- (ii) Audit of \$29,750 (2018 - \$5,500) due to business services incurred during the current year.
- (iii) Share-based compensation of \$16,100 (2018 - \$94,000) due to fewer share options granted during current year.
- (iv) Travel, meal and related costs of \$33,166(2018 - \$975) due to meetings for potential business opportunities during current year.

Financing, Liquidity and Capital Resources

During the year ended August 31, 2019, the Company had no share capital activities.

As of August 31, 2019 the Company had working capital of \$228,380 compared to working capital of \$409,250 as at August 31, 2018. Management considers that the Company has adequate resources to maintain its current levels of overhead and ongoing corporate expenses. The Company received results for the initial drill hole from the Bonneville Gold Property and has terminated the option agreement with Telford. The Company recognizes that it may be required to obtain additional financing in the future for acquisitions of other resource properties or business opportunities. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

There are no proposed transactions.

Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

During the years ended August 31, 2019 and 2018 the following compensation was incurred:

	For the year ended August 31,	
	2019	2018
Accounting and administrative	\$ 20,550	\$ -
Consulting	28,500	-
Executive compensation	22,000	21,000
Office	17,639	-
Share-based compensation	16,100	89,200
	<u>\$ 104,789</u>	<u>\$ 110,200</u>

Included in accounts payable and accrued liabilities at August 31, 2019 is \$212 (2018 - \$1,820) owed to a director and officer of the Company.

Included in prepaid at August 31, 2019 is \$10,663 (2018 - \$Nil) paid to a company owned by a director and officer of the Company.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value. As at December 23, 2019, there were 11,750,000 outstanding common shares and 1,175,000 share options outstanding with an exercise price of \$0.10 per share.

The following table summarizes information about the share options outstanding and exercisable at December 23, 2019:

Number Outstanding	Number Exercisable	Exercise Price	Expiry Date
900,000	900,000	\$ 0.10	22-Feb-23
75,000	75,000	\$ 0.10	23-Feb-23
150,000	150,000	\$ 0.15	23-Feb-23
<u>1,125,000</u>	<u>1,125,000</u>		

Accounting Standards and Interpretation Adopted

Please refer to the August 31, 2019 financial statements on www.sedar.com for new accounting policies as well a future accounting pronouncements.

Capital Risk Management

The Company manages, as capital, the components of shareholders' equity. The Company's objectives, when managing capital, are to safeguard its ability to continue as a going concern.

The Company manages its capital structure, and makes adjustments to it, in light of changes in economic conditions and the risk of characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue common shares, borrow and acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's policy is to invest its excess cash, if any, in highly liquid, short-term, interest bearing investments with maturities of one year or less from the date of acquisition.

Change in Management

On April 19, 2019, the Company announced that Amrik S. Virk, the former Minister of Technology, Innovation and Citizens' Services and Minister of Advanced Education for British Columbia, Canada has agreed to join the Board of Directors. The Company also announced that resignation of Doug Leishman from the Board and would like to thank him for his great efforts in reviewing exploration opportunities