

HANSA RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020

This discussion and analysis of financial position and results of operation is prepared as at November 19, 2020 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the three months ended September 30, 2020 of Hansa Resources Limited ("Hansa" or "the Company"). The following disclosure and associated consolidated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

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 exploration programs and the timing thereof, and 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: believe, expect, anticipate, intend, estimate, postulate and similar expressions, 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.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global 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 most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials.

COVID-19

On March 11, 2020 the World Health Organization ("WHO") declared the outbreak of a novel coronavirus, identified as "COVID-19", as a global pandemic. COVID-19 has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Company Overview

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "HRL". The Company is a junior resource company engaged in the acquisition, exploration and development of unproven mineral interests. The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia.

Since 2012 the Company has been conducting prospect generation activities. In early fiscal 2017 the Company finalized the acquisition of the Zhumba gold prospect (the "Zhumba Property"), which consisted of two claims located in the Kokepektinsky and Ulansky districts in eastern Kazakhstan. On June 23, 2017 the Company completed the

farm-out of its 90% interest in the Zhumba Property to Kazzinc Limited (“Kazzinc”). The Company retains a 1.9% net smelter return royalty on the 90% interest from production at the Zhumba Property.

The Company has a remaining obligation of US \$50,000 to the vendor of the Zhumba Property.

Management is continuing with its due diligence on identifying other potential mineral exploration and evaluation licenses.

Selected Financial Data

The following selected financial information is derived from the unaudited condensed interim consolidated financial statements of the Company.

	Fiscal 2021	Fiscal 2020				Fiscal 2019			
	Sep. 30 2020 \$	Jun. 30 2020 \$	Mar. 31 2020 \$	Dec. 31 2019 \$	Sep. 30 2019 \$	Jun. 30 2019 \$	Mar. 31 2019 \$	Dec. 31 2018 \$	
Operations:									
Revenues	Nil								
Expenses	(12,276)	(13,087)	(11,604)	(90,889)	(44,114)	(208,590)	(45,458)	(65,195)	
Other items	(7,911)	(16,296)	37,524	(4,933)	10,138	80,086	(10,718)	41,950	
Net (loss) income	(20,187)	(29,383)	25,920	(95,822)	(33,976)	(128,504)	(56,176)	(23,245)	
Basic and diluted income (loss) per share	(0.00)	(0.00)	0.00	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	
Dividends per share	Nil								
Balance Sheet:									
Working capital	833,018	418,642	448,025	422,105	517,927	551,903	520,407	576,583	
Total assets	908,256	490,654	522,585	561,808	626,338	647,492	775,095	882,596	
Total long-term liabilities	Nil								

Results of Operations

Three Months Ended September 30, 2020 Compared to Three Months Ended June 30, 2020

During the three months ended September 30, 2020 (“Q1/2021”) the Company reported a net loss of \$20,187 compared to net loss of \$29,383 during the three months ended June 30, 2020 (“Q4/2020”). The \$9,196 decrease in loss is primarily attributed to a foreign exchange loss of \$8,452 on US dollars held during Q1/2021 compared to a loss of \$16,514 during Q4/2020.

Three Months Ended September 30, 2020 Compared to Three Months Ended September 30, 2019

During the three months ended September 30, 2020 the Company reported a net loss of \$20,187, compared to a net loss of \$33,976 for the three months ended September 30, 2019, a decrease in loss of \$13,789. The decrease in loss was mainly attributed to the suspension of management and director compensation on October 1, 2019, resulting in a decrease from \$22,000 charged during the three months ended September 30, 2019 to \$nil for the three months ended September 30, 2020. In addition, during the three months ended September 30, 2019 the Company incurred \$11,065 for travel costs to a consultant for review of prospective mineral properties in Africa. No travel was conducted during the three months ended September 30, 2020.

Financings Activities

During the three months ended September 30, 2020 the Company completed a private placement of 12,500,000 units at \$0.035 per unit for proceeds of \$437,500. The Company intends to use the proceeds from the private placement for investigation and due diligence on prospective property acquisition opportunities, general corporate purposes and working capital.

During the three months ended September 30, 2019 no equity financings were conducted by the Company.

Financial Condition / Capital Resources

As at September 30, 2020 the Company had working capital of \$833,018. The Company considers that it has adequate resources to maintain anticipated levels of corporate administration for the next twelve months. However, the Company anticipates that it may be required to raise additional capital to continue conducting due diligence on identifying and evaluating potential mineral interest acquisitions or other business opportunities and completion of any such acquisitions. The Company's operations are typically funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. 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. See also "COVID-19".

In order to conserve the Company's working capital, the Company's CEO and its directors voluntarily suspended their compensation effective October 1, 2019. The Company will consider reinstating compensation arrangements upon completion of new business opportunities and sufficient financing.

Contractual Commitments

The Company has no contractual commitments.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Changes in Accounting Principles

A detailed summary of the Company's significant accounting policies is included in Note 3 to the June 30, 2020 audited annual consolidated financial statements.

Related Party Disclosures

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period. The Company has determined that key management personnel consists of members of the Company's Board of Directors and Executive Officers.

- (a) During the three months ended September 30, 2020 and 2019 the Company incurred executive management compensation to key management personnel as follows:

	2020 \$	2019 \$
Mr. Nugent - President, CEO and Director	-	10,000
Mr. DeMare - CFO, Corporate Secretary and Director	-	3,000
Mr. Atkinson - Director	-	3,000
Mr. DiPasquale - Director	-	3,000
Mr. Siemens - Director	-	3,000
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		22,000

Effective October 1, 2019 the Company's officers and its directors voluntarily suspended their compensation.

See also "Financial Condition / Capital Resources".

- (b) During the three months ended September 30, 2020 the Company incurred a total of \$5,600 (2019 - \$2,500) with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare, for accounting and

administrative services provided by Chase personnel, excluding Mr. DeMare, and \$1,006 (2019 - \$1,006) for rent. As at September 30, 2020 \$5,100 (June 30, 2020 - \$2,135) remained unpaid.

- (c) During the three months ended September 30, 2020 certain directors of the Company and their family members purchased a total of 7,800,000 units of the private placement.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares without par value and unlimited preferred shares without par value. As at November 19, 2020, there were 69,913,317 outstanding common shares, 6,250,000 warrants outstanding at an exercise price of \$0.05 per common share and 4,000,000 share options outstanding with an exercise price of \$0.05 per common share.