



SAMA RESOURCES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2019

AS OF NOVEMBER 28, 2019

TSX-V: SME

INDEX

SCOPE OF MD&A AND NOTICE TO INVESTORS.....	2
FORWARD LOOKING STATEMENTS.....	2
COMPANY OVERVIEW	3
HIGHLIGHTS	3
OVERALL PERFORMANCE.....	4
MINERAL PROPERTY PORTFOLIO.....	6
SELECTED FINANCIAL INFORMATION.....	24
TRANSACTIONS WITH RELATED PARTIES	28
COMMITMENTS	29
OFF-BALANCE SHEET ARRANGEMENTS.....	32
CONFLICTS OF INTEREST.....	32
CRITICAL ACCOUNTING POLICIES	32
ESTIMATES, JUDGMENTS AND ASSUMPTIONS	32
RISKS RELATED TO FINANCIAL INSTRUMENTS.....	32
RISKS AND UNCERTAINTIES.....	32

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

SCOPE OF MD&A AND NOTICE TO INVESTORS

This management's discussion and analysis of financial position and results of operations ("MD&A"), is prepared as of November 28, 2019, and complements the unaudited interim condensed consolidated financial statements of Sama Resources Inc. (the "Company"), for the third quarter ended September 30, 2019 which are compared to the third quarter ended September 30, 2018.

The unaudited interim condensed consolidated financial statements include the parent company Sama Resources Inc. ("Sama") and its wholly owned subsidiaries Sama Nickel Corporation ("Sama Nickel"), Sama Nickel Côte d'Ivoire SARL ("Sama CI") and Société Minière du Tonkpi SARL ("SMT") referred as the Company.

The interim condensed consolidated financial statements and related notes have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board. They do not contain all the information required to be disclosed in annual financial statements. Certain information and notes usually provided in the annual financial statements have been omitted or condensed when not deemed essential to the understanding of the interim financial information of the Company. Therefore, this MD&A should be read in conjunction with the information contained in the annual audited consolidated financial statements of the Company and the notes thereto for the year ended December 31, 2018. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and all amounts are in Canadian dollars unless otherwise indicated.

The Company's independent auditors have not conducted a review of the interim condensed consolidated financial report in accordance with the standards established by the Canadian Institute of Chartered Accountants regarding the review of the interim financial report.

Management of the Company is responsible for the preparation and presentation of the interim condensed consolidated financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The unaudited interim condensed consolidated financial statements and the MD&A have been reviewed by the audit committee and approved by the Company's Board of Directors on November 28, 2019. These documents and more information about the Company are available on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

Certain statements made in this MD&A are forward-looking statements or information. The Company is hereby providing cautionary statements identifying important factors that could cause the Company's actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. In making these forward-looking statements, the Company has assumed that the current market will continue and grow and that the risks listed below will not adversely impact the business of the Company. By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Company that could influence actual results are summarized below under the heading "Risks and Uncertainties".

Further, unless otherwise noted, any forward-looking statement speaks only as of the date of this MD&A, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company, or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

COMPANY OVERVIEW

Sama is a Canadian-based mineral exploration and development business with activities in West Africa. Sama was incorporated on July 11, 2006 under the Business Corporations Act of British Columbia. On May 13, 2013, the Company continued its jurisdiction of incorporation from British Columbia into the federal jurisdiction of Canada under the Canada Business Corporations Act. The Company's head office is located at #132 – 1320 Graham Blvd., Mont-Royal, Quebec, Canada, H3P 3C8. The Company's common shares are listed on the TSX-V under the trading symbol "SME.V".

Based on the information available to date, the Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete exploration and development programs and, ultimately, upon future profitable production.

HIGHLIGHTS

- On January 8, 2019, the Company announced that it had commenced the second-deep exploration drill hole as part of the 6,000 m drilling program launched in mid-November 2018;
- On February 14, 2019, the Company announced PGE assay results for the new mineralized zone at Yepleu;
- During the first quarter ended March 31, 2019, a total of 1,075,000 warrants were exercised at a price of \$0.15 per share and 740,000 stock options at a price of \$0.23 for total proceeds of \$331,450;
- On February 20, 2019, the Company granted a total of 3,225,000 stock options to its officers, employees and consultant at a price of \$0.27 per common share expiring on February 19, 2029;
- On March 12, 2019, the Company announced that it had added a second drill rig at Yepleu;
- On April 4, 2019, the Company announced the beginning of Phase 2 Typhoon geophysical survey at its Yepleu together with the intersection of 54 m of mineralization ranging from disseminated to semi-massive and massive sulphide in borehole YE29-553044;
- On April 16, 2019, a total of 100,000 warrants were exercised at a price of \$0.25 per share for total proceeds of \$25,000;
- On April 23, 2019, the Company announced that borehole YE22-225440 drilled at the Yepleu Sector 1 intersected 30 meters of disseminated to semi-massive and massive sulphide, including 1.7 m of massive sulphide (> 70% sulphide).
- On June 4, 2019, the Company announced the release of mineralized intervals from the second and third deep holes (YE29-553044 and YE22-225440) at the Yepleu nickel-copper-cobalt-palladium project in Ivory Coast. YE29-553044 returned 13.4 meters (m) of disseminated and semi-massive sulphides grading 0.76% nickel, 0.47% copper, 0.16 gram per ton (g/t) palladium (Pd) within a larger interval of 36 m of disseminated sulphide mineralization grading 0.40% nickel, 0.24% and 0.10 g/t Pd. Hole YE22-225440 returned 13.4 m grading 0.40% Ni, 0.29% Cu and 0.10 g/t Pd including 1.7 m at 1.80% Ni, 0.57 % Cu and 0.28 g/t Pd;
- On June 12, 2019, HPX TechCo Inc. ("HPX") exercised a total of 7,142,857 warrants were exercised at a price of \$0.28 per share for total proceeds of \$2,000,000.
- On August 7, 2019, the Company announced that it has entered into a Share Purchase Agreement to sell 8,300,000 shares of its currently held 24,658,267 common shares of SRG Mining Inc. ("SRG") to a US based Industrial Firm for an aggregate purchase price of US\$5,000,000. The sale shall occur in five tranches and is expected to fully close by December 15, 2019.
- On August 8, 2019, the Company announced that the former Samapleu exploration permit which expired in June 2018 has been replaced by two new PRs called Samapleu East (PR 838) and Samapleu West (PR 839). The Company also obtained a new PR called "Zoupleu" contiguous to the aforementioned Samapleu PR's. The Zoupleu permit was acquired through the 100% Sama owned subsidiary SMT.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

- On August 8, 2019, the Company also announced that it has entered into a Convertible Debt Agreement with SRG whereby the Company makes available to SRG a credit facility of up to US\$5,000,000, bearing a 10% per annum interest rate which will be repayable in 12 months in cash or shares with a conversion price of \$0.91 per SRG share at the election of the Company as well as a bridge loan of C\$1,000,000, bearing a 10% per annum interest rate and repayable in 12 months.

OVERALL PERFORMANCE

The two main objectives of the Company are as follows:

- 1) Continuing the technical studies on Samapleu nickel-copper-PGE's deposits; and
- 2) Fast tracking exploration for additional evidences of nickel-copper rich massive sulphide lenses and possible reservoirs within the 832 square kilometres land package (**Figures 1 & 2**).

New exploration permits (Permit de Recherche «PR ») covering the area of the former Samapleu PR 123 has been granted on June 19, 2019 (Decree No 2019-526 and Decree No 2019-527) under the name of Samapleu East PR 838 and Samapleu West PR 839. Both PRs cover approximately 318 square kilometers ("km²").

The Zoupleu PR 837 has been granted also on June 19, 2019 (Decree No 2019-525) to SMT.

These three newly acquired PRs are valid for a first period of 4 years with possible renewal periods totaling up to 12 years.

Two other PRs applications remain in progress with the Department of Mines in Côte d'Ivoire (**Figure 1**).

In May and June 2019, the Company proceeded with Typhoon™ electromagnetic ("EM") geophysical surveys at the Yepleu area, within the Zérégouiné permit (Figures 1, 2 & 3). The heavy rain season together with frequent thunder storms has considerably impacted progress. Despite these unavoidable delays, the Phase 2 Typhoon program will continue during the fall of 2019 covering areas at Yepleu, Grata and Samapleu.

Sama has also entered into a Convertible Debt Agreement ("Debt Agreement") with SRG whereby Sama makes available to SRG a credit facility of up to US\$5,000,000, bearing a 10% per annum interest rate which will be repayable in 12 months in cash or shares with a conversion price of \$0.91 per SRG share at the election of Sama, as well as a bridge loan of C\$1,000,000, bearing a 10% per annum interest rate and repayable in 12 months.

The 6,000 meters drilling program that started in November 2018 to test high-conductivity targets defined by phase 1 of the Typhoon electromagnetic geophysical survey at the Yepleu property has been temporarily terminated after five holes for a total of 4,401 m. The Company has intersected nickel sulphide mineralization in each of the five holes drilled to date at Yepleu at the exact location predicted by the Typhoon Phase 1 survey of last year (Figure 4).

In September 2019, the Company proceeded with Typhoon™ electromagnetic ("EM") geophysical surveys at the Grata property (PR 604) and continued in October and November 2019 at the Zérégouiné permit (Figures 1 & 2). The heavy rain season together with frequent thunder storms did considerably impacted progress between June and September 2019. Despite these unavoidable delays, the Phase 2 Typhoon program continued during fall of 2019 covering areas at Yepleu, Grata and Samapleu. The Typhoon survey will continue in 2020 covering all targets zones as shown on figure 2.

The drilling program should resume following results from the Typhoon Phase 2 current survey. The drilling program is targeting semi-massive and massive polymetallic sulphide targets located between 300 m and 1,500 m from surface (**Figures 2 to 7**). The Company purchased a new drill rig capable to reach depth down to 1,500 m from Coretech in China. The new rig should arrive in Ivory Coast in the first week of January 2020. This new rig will allow a greater flexibility to test various and remote targets quickly and cheaply.

The Phase 2 Typhoon EM survey is following up on results obtained from the 2018 Phase 1 Typhoon survey and on following additional targets defined by the 2,889-line/kilometre airborne helicopter time-domain electromagnetic and magnetic survey ("HTEM Survey") completed in February 2018 over the Samapleu and Yepleu areas (**Figures 2 & 3**). The Phase 1 & 2 Typhoon surveys covered selected anomalies outlined by the HTEM Survey.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

The Typhoon survey and data acquisition system is the most accurate and powerful induced polarization and electromagnetic geophysical survey technology available to mineral explorers today. Typhoon technology provides better quality primary signal, allowing higher resolution, larger scale and deeper detection than existing technology.

Several new prospective zones, strongly associated with magnetic anomalies, were identified from the completed HTEM Survey. These new zones add to the existing prospective areas identified from the previous Fugro survey (**Figure 2**).

The Company and HPX have selected the Yepleu area for the Phase 1 of the Typhoon ground survey for its high quality HTEM response as well as the prospective geological setting. It is at the Yepleu area that the Company made the first discovery of nickel-copper sulphide mineralization at surface in West Africa with material grading up to 1.39% nickel and 2.26% copper sulphide (tested using a hand-held Niton XRF analyzer) (see *Company's Press Release dated June 6, 2013*). The Yepleu area is located 18 kilometers southwest of the Samapleu nickel-copper deposit.

Abitibi Geophysics Inc from Val d'Or, Quebec, Canada performed Borehole Time Domain Electromagnetic surveys ("Borehole TDEM") on three deep holes at Yepleu Sectors 1, 2 & 3. Each borehole TDEM returned good off-hole strong anomalies that will be followed up with drilling.

On May 12, 2019, M. Kouassi, Côte d'Ivoire's Minister of Mines and Geology, and M. Mabri, Minister for Higher Education and Scientific Innovation, recently visited the Company's Yepleu Nickel-Copper-Cobalt-Palladium Project. The ministers were shown Typhoon in operation during the Phase 2 exploration program, as well as the newly-discovered nickel-copper-palladium mineralization at the Yepleu Sector 1.

Yepleu Sector 1 (Figures 4 & 5):

YE29-556043 (ref: press release of December 12, 2018) returned results, with a combined 5.2 meter of semi-massive sulfides grading 1.16% nickel, 0.62% copper, 0.24 gpt palladium and 0.21 gpt platinum (using a cut-off-grade of 0.8% nickel) within a larger interval of 37 m of disseminated sulphide mineralization grading 0.41% nickel, 0.31% copper, 0.23 gpt palladium and 0.17 gpt platinum.

The mineralization encountered in the hole is characterised by aggregates of the nickel, copper and iron sulphides pentlandite, chalcopyrite and pyrrhotite, respectively. Pentlandite occurs together with pyrrhotite, while the chalcopyrite is either mixed with the pentlandite and pyrrhotite or occurs as late millimetric to centimetric sulphide veins cross-cutting the pentlandite and pyrrhotite.

Two addition holes were drilled subsequently as follow-up on the mineralized zone intersected on the first deep hole. Figure 4 illustrates the surface mise-a-la-masse map at the Yepleu Sector 1 prospect together with drill results.

Yepleu Sector 2 (Figures 4 & 5)

Hole YE29-713721 intersected mineralisation between 490 and 495 meters and also between 607 to 613 meters down the hole. The mineralisation is mostly disseminated with small sections of semi-massive texture. Same composition as per Sector 1.

Yepleu Sector 3 (Figure 4 & 5)

Drillers encountered numerous technical issues while trying to drill these deep holes at Yepleu. The first hole, YE45-348-721, was intended to reach 1,200 m but was terminated for technical reason at 579 m. The drillers had to re-drill the hole few meters aside, the YE45-348726. The borehole YE45348726 reached the target zone between 842 to 860 meters intersecting disseminated mineralization and small occurrences of semi-massive lenses.

These drilling successes prompted the Company to prioritize completing the Typhoon Phase 2 program over the most prominent HTEM targets at the Yepleu sector. **Figure 3** below shows the HTEM survey results, with the warm color contours showing the conductivity intensity. The warmer the color, the higher the conductivity. So far, the Company has only followed-up three HTEM targets with the Typhoon Phase 1 survey conducted last year, with many other targets to explore.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Grata (Figure 2 & 3)

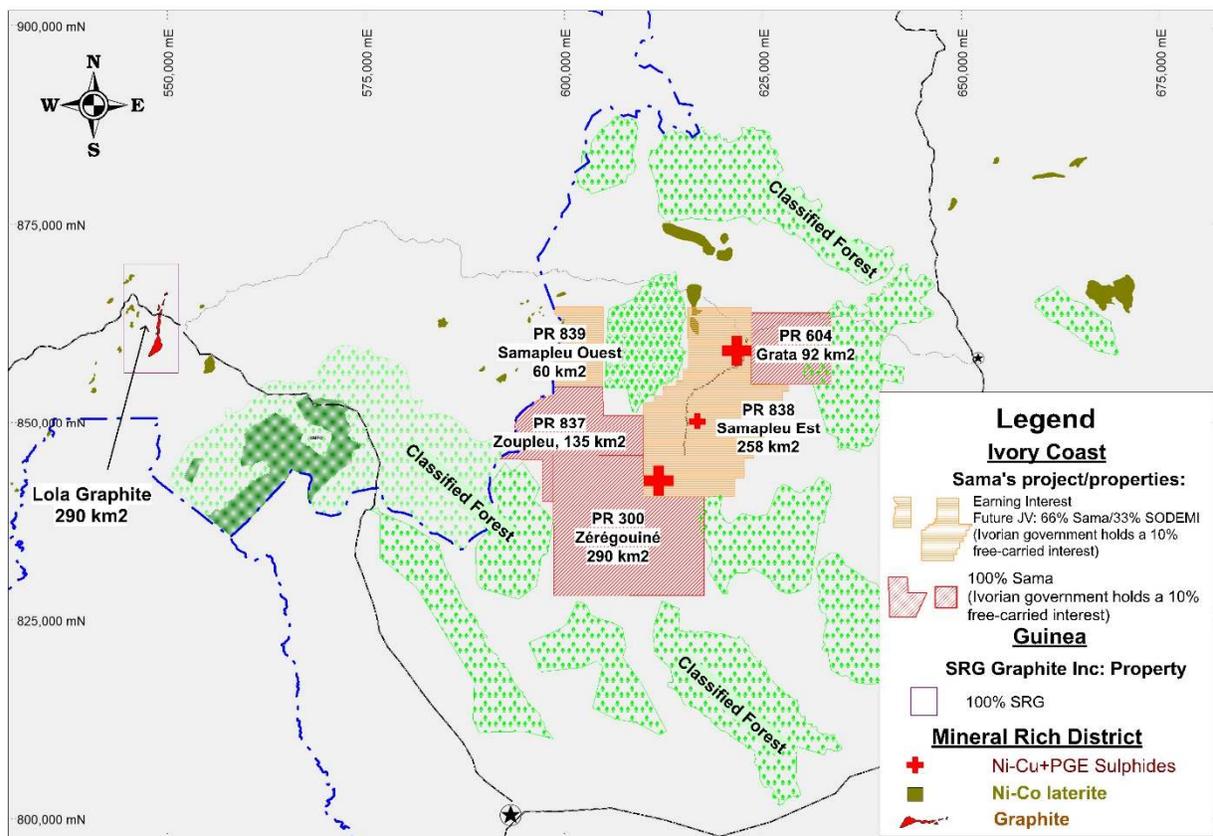
In September 2019, the Company proceeded with Typhoon EM geophysical surveys at the Grata property (PR 604) (Figure 2 & 3)

Samapleu technical Study

In June 2018, the Company gave to DRA Met-Chem, an engineering group based in Montreal, the mandate to continue technical study on the current open cast amenable resource defined by the Company. Geotechnical investigation was launched in early August 2018, by two geotechnical engineers from DMeng Group (Kingston, Ontario) visiting the Samapleu project. In October 2018, DRA's Geological Qualify Person ("QP") visited the project site. In October 2019, two representatives of DRA visited Abidjan, San-Pedro port as well as the project site. The study is ongoing.

MINERAL PROPERTY PORTFOLIO

The exploration programs and technical disclosure for the Company are designed by Marc-Antoine Audet, P.Geo, PhD, President and Chief Executive Officer of the Company who is a 'qualified person' ("QP"), as defined by National Instrument 43-101, Standards for Disclosure for Mineral Projects ("NI 43-101").



SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

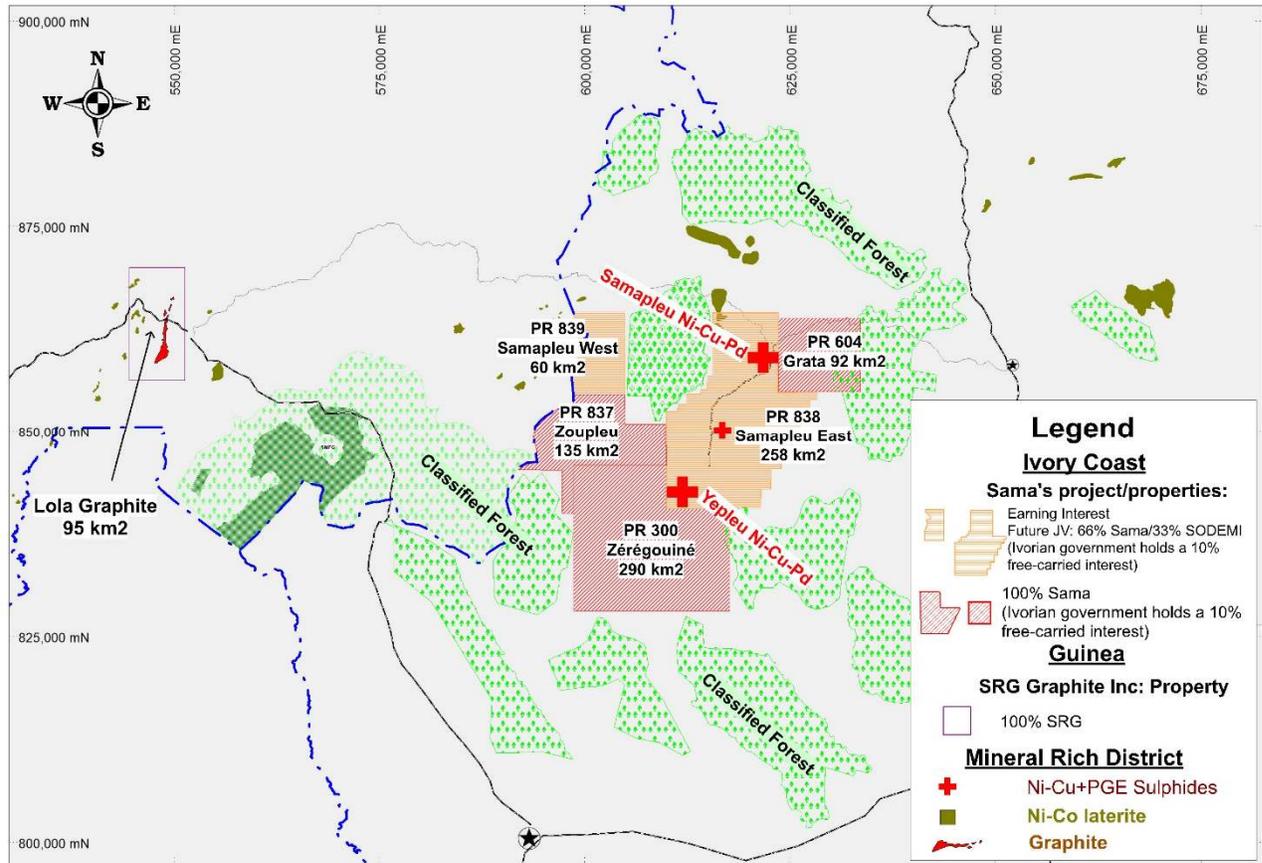


Figure 1: Exploration permits in Ivory Coast and Guinea. SODEMI applied on March 7, 2018, on behalf of the JV signed with Sama Nickel, for two new exploration permits (Permis de Recherche: PR) for a combined 318 km² in replacement of the former Samapleu PR 123. Both new Samapleu East and West Exploration Permits have been granted on June 19, 2019. The Zoupleu exploration permit was also granted on June 19, 2019 to SMT.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

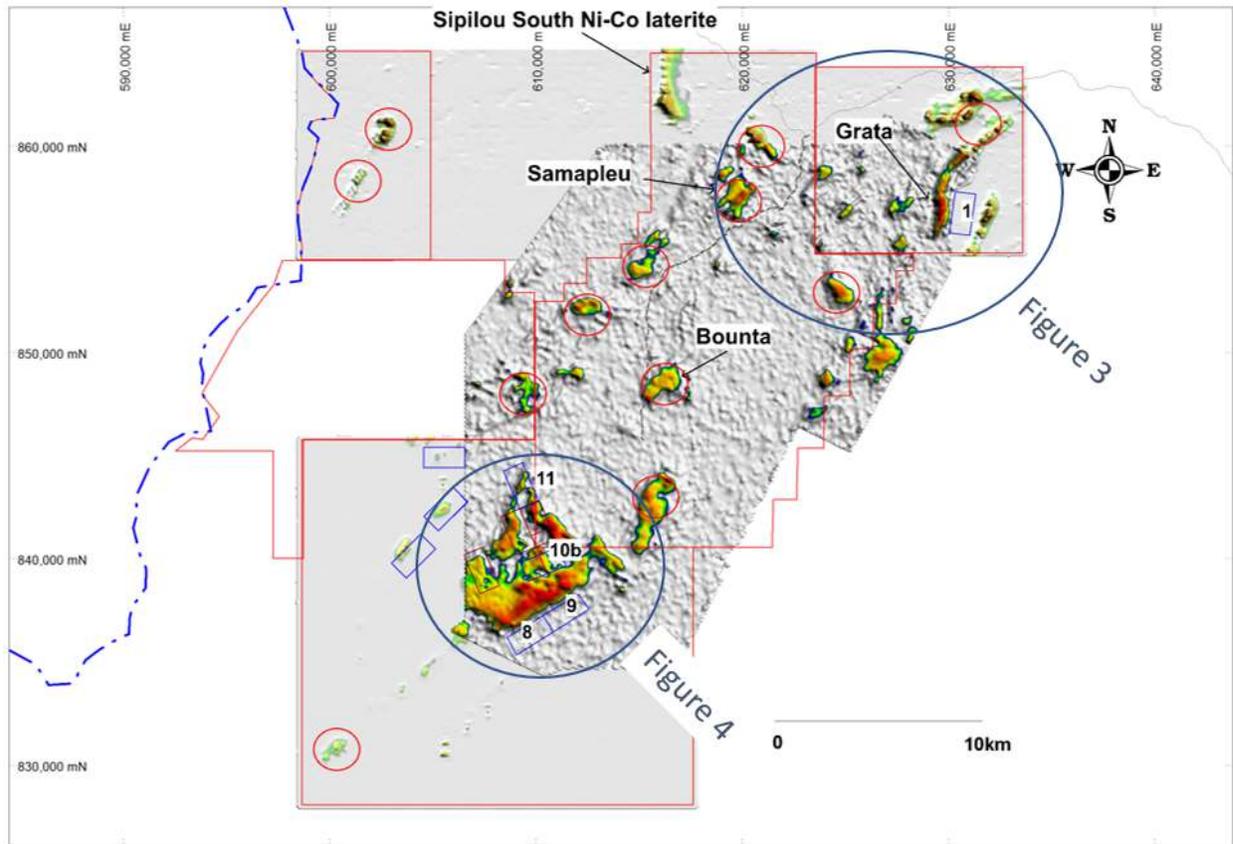


Figure 2: Samapleu, Zérégouiné, Zoupleu and Grata Exploration Permits showing the combined HTEM 2013 and 2018 conductive potential zones using late channels data.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

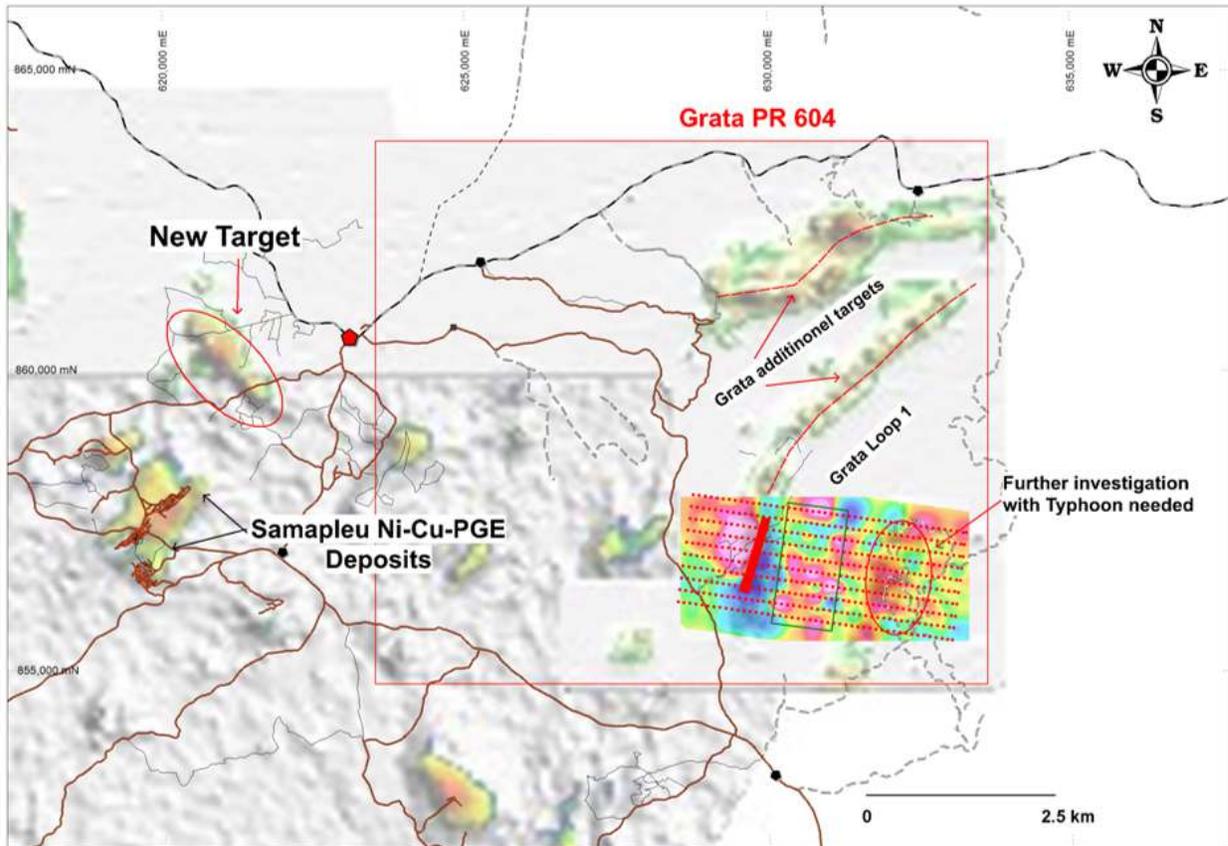


Figure 3: Current Typhoon EM survey at Grata,

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

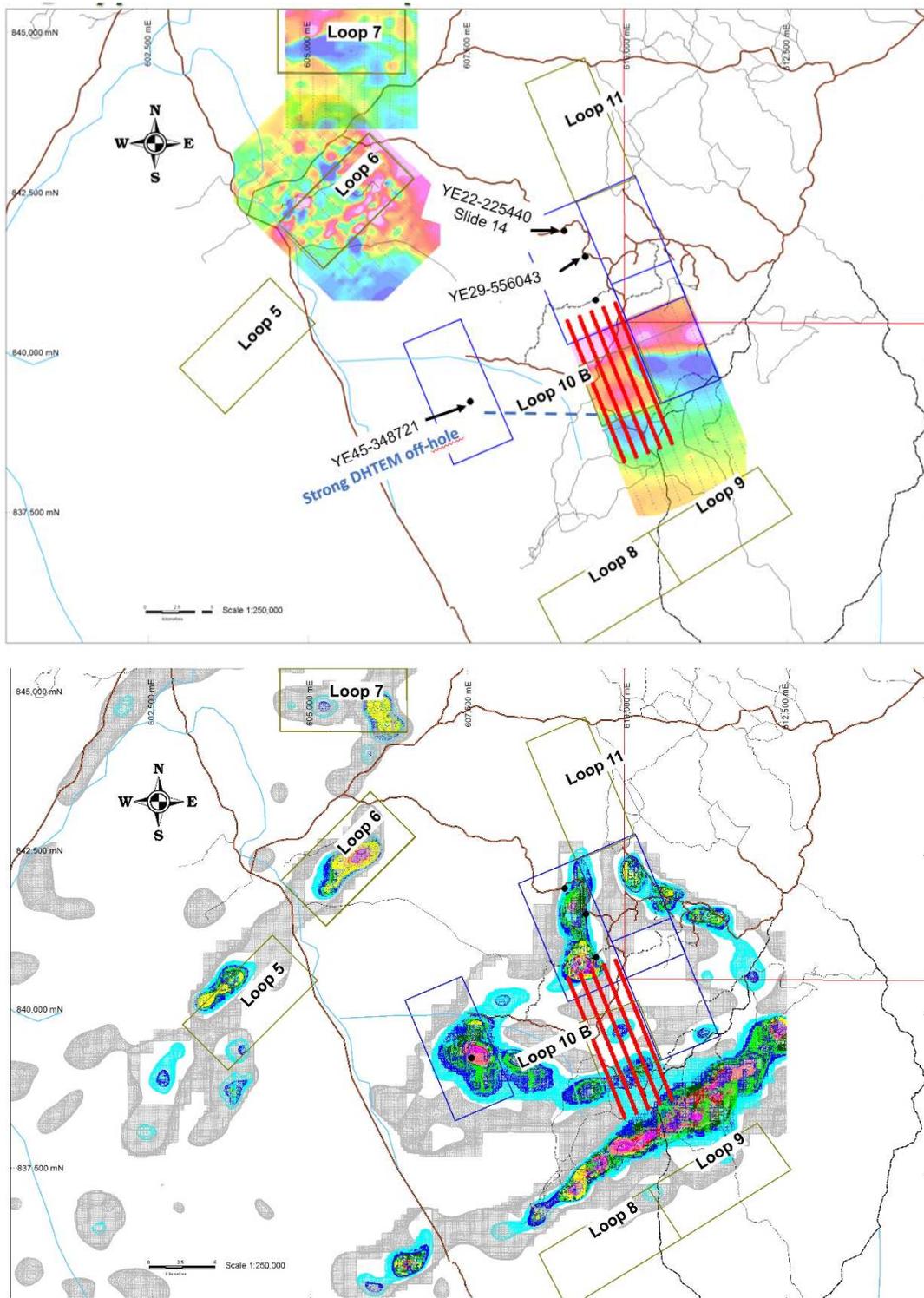


Figure 4: Surface map at the Yepleu prospect showing the Phase 2 Typhoon program together with boreholes drilled to date.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

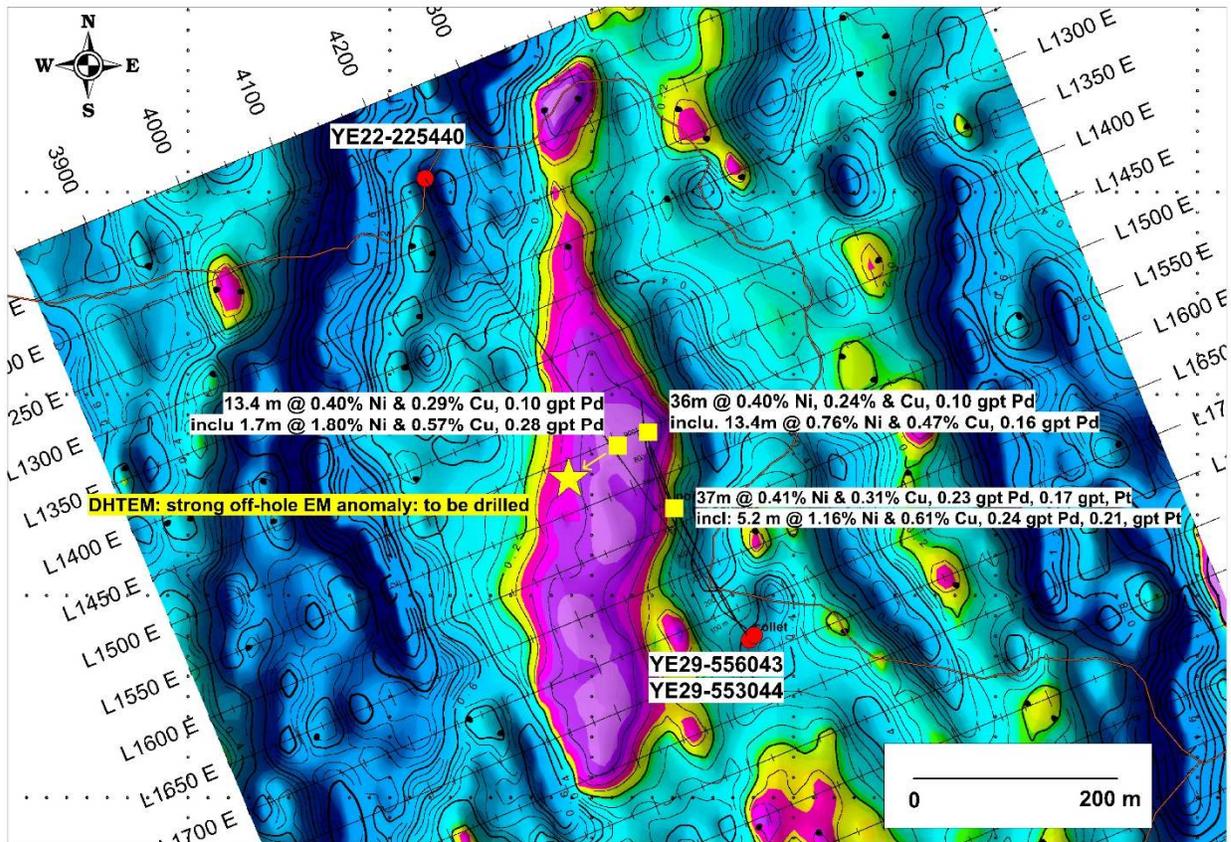


Figure 5: Surface map at Yepleu Sector 1, showing the target zone as defined by Mise a la Masse and Borehole TDEM together with the recent borehole's intersects.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

MINERAL PROPERTIES

Samapleu Property (PR 838 & 839)

On January 15, 2009 ("Effective Date"), Sama Nickel entered into a Syndicate Agreement ("SA") with SODEMI, a parastatal organization, whereby Sama Nickel has indicated a particular interest in the exploration of an area covered by the former Permit No. 123 ("PR 123"), held by SODEMI, located in Ivory Coast. The former PR 123 encompassed approximately 446 square kilometers.

Upon execution of the SA, Sama Nickel became responsible to finance exploration work programs on behalf of the SA during the exploration phase of the project through completion of a Bankable Feasibility Study ("BFS"). SODEMI will not contribute to work conducted under the SA.

On October 25, 2015, Sama Nickel and SODEMI extended certain terms of PR 123 resulting in an exploration license extension to June 25, 2017. On June 9, 2017, before the license extension expired, Sama Nickel and SODEMI filed a request for a Mining Permit (Permis d'Exploitation «PE») for an area of 160 square kilometres within the Samapleu exploration license as well as a request for an Exploration Permit (Permis de Recherche «PR») for the remaining area of the Samapleu PR 123, located west of the PE.

In March 2018, following discussions with the government, SODEMI withdrew its application for a Mining Permit and applied for two (2) new exploration permits covering a total area of 318 square kilometers (Samapleu-East and Samapleu-West) to replace the former PR 123 (**Figure 1**). According to a new regulation in Ivory Coast, classified forests must be removed from any new application. Therefore, the total surface area covered by the two (2) new exploration permits is smaller than the initial area covered by the former PR 123.

On June 19, 2019, the two (2) new exploration permits, Samapleu East (PR 838 - Decree No 2019-526) and Samapleu West (PR 839 – Decree No 2019-527) covering 318 square kilometers were granted to SODEMI. Both PRs expire on June 19, 2023, with possible renewal periods totaling up to 12 years. In accordance with both PRs, Sama Nickel agreed to complete an exploration program evaluated at F CFA 2,315,000,000 for PR 838 (approximately \$5,257,421 as at June 30, 2019) and F CFA 760,000,000 for PR 839 (approximately \$1,725,978 as at June 30, 2019) before the term of the exploration permits.

Upon completion of the BFS, the Advisory Committee ("AC"), which consists of two Sama Nickel representatives and two SODEMI representatives, will conclude on the feasibility of the project. If the AC decides to proceed with the project, an Exploitation Entity ("EE") will be established whereby future funding will be split between Sama Nickel and SODEMI at 66.7% and 33.3%, respectively. The EE will reimburse SODEMI for all costs associated with previous exploration work conducted until January 15, 2009 up to a maximum of F CFA 834,999,457 (approximately \$1,840,300 as at September 30, 2019) and will reimburse Sama Nickel for costs associated with exploration work conducted between the Effective Date and the approval of the BFS subject to the approval of the AC which represents a total amount of \$20,685,992 as at September 30, 2019.

On September 20, 2019, Sama Nickel and SODEMI signed an amendment to the SA under which the parties confirm the immediate and direct interest of Sama Nickel and SODEMI at 66.7% and 33.3% respectively in the two (2) new exploration permits and this notwithstanding any future request for an exploitation permit. The ownership of the future EE shall be allocated as follows:

Sama Nickel	60%
SODEMI	30%
Ivory Coast Government	10%
	100%

The Samapleu Property is subject to a 1% net smelter return royalty.

In 2016, CVMR was retained to perform a detailed technical study to confirm the commercial viability of producing nickel and iron powders from nickel-iron concentrate obtained from the flotation of the mineralized material of the Samapleu deposits.

In June 2018, DRA Met-Chem an engineering group based in Montreal was retained to continue the technical study on Samapleu deposits. Geotechnical investigation was launched in early August 2018 by two geotechnical engineers from DMeng group (Kingston, Ontario) visiting the Samapleu project. In October 2018, DRA's Geological Qualify

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Person ("QP") visited the project site. In October 2019, two representatives of DRA visited Abidjan, San-Pedro port as well as the project site. The study is ongoing.

The Company will continue with its exploration efforts aiming at delineating massive sulphide reservoirs that could be the source of high-grade nickel ("Ni") – copper ("Cu") - palladium ("Pd") lenses intercepted in shallower boreholes at the Samapleu deposits. The **Table 1** highlights high-grade drill results at the Samapleu.

Table1: Highlight table of high-grade drill intercepts previously reported

Hole-ID	From m	To m	Interval m	Ni %	Cu %	Pd gr/t	Date of News Release
Samapleu Deposits							
SM44-428267	15.00	68.90	53.90	0.96	0.76	0.74	April 20, 2015
including	57.65	60.55	2.90	4.45	2.20	3.08	
including	62.90	68.00	5.10	3.87	2.56	2.83	
SM25-133537	30.00	63.00	33.00	0.38	0.31	0.63	April 20, 2015
including	32.45	36.65	4.20	1.13	1.03	1.75	
SM44-683140	347.00	495.85	149.00	0.30	0.29	0.42	August 12, 2014
including	347.00	356.20	9.20	0.46	1.12	1.11	
SM44-693140b	513.20	604.40	91.20	0.25	0.17	0.24	August 12, 2014
including	513.95	514.25	0.30	0.19	6.55	1.99	
including	594.15	597.55	3.40	1.12	0.50	1.61	
SM44-494350b	11.00	64.00	53.00	0.52	0.50	0.31	February 16, 2012
including	29.20	34.80	5.60	1.91	1.71	0.94	
SM44-450250b	33.50	92.90	59.40	0.89	0.86	0.81	June 20, 2011
including	85.25	91.90	6.65	3.80	2.92	3.09	
SM44-492354	10.00	61.00	51.00	0.72	0.61	0.45	January 10, 2011
including	36.00	46.00	10.00	1.76	1.30	1.00	
including	24.00	29.00	5.00	1.32	1.18	0.75	
SM44-450250	13.50	102.80	89.30	0.66	0.64	0.58	May 31, 2010
including	86.60	101.60	17.00	1.99	1.96	1.49	
SM25-112519	22.00	144.00	122.00	0.44	0.32	0.94	
including	84.90	95.90	11.00	1.89	0.78	2.84	
SM24-661614	67.30	244.00	176.70	0.26	0.20	0.49	June 26, 2010
including	162.00	170.60	8.60	1.02	0.95	1.51	



Figure 6: Hole SM44-428267 intersected 54 m of mineralized pyroxenite, grading 0.96% nickel, 0.76% copper and 0.74 gpt palladium, including a combined 8.0 m of massive sulphide grading 4.08% nickel, 2.43% copper & 2.92 gpt palladium at the Samapleu Main deposit.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Samapleu Nickel-Copper Type Mineralization

Since 2009, the Company's regional exploration work highlights the prospective potential of the entire PR 123 area. In addition to the Samapleu Main deposit and the nickel-cobalt rich laterite Sipilou South deposit, there were several mineralized sectors that have been identified within the PR 123 area, including the Company's discovered Samapleu Extension 1 deposit and the Yorodougou occurrence. as well as numerous massive chromite showings, all part of the newly discovered Yacouba Layered Complex.

The Samapleu deposits mineralization and geological characteristics are typical of a layered Pipe like intrusion or conduit-hosted nickel deposits. These rare types of intrusions host the world's largest nickel-copper deposits such as: Jinchuan (515 million tons ("Mt") at 1.06% nickel), Voisey Bay (137Mt at 1.68% nickel), Kabanga (52Mt at 2.65% nickel), Eagle (4.5Mt at 3.33% nickel), Eagle Nest (20Mt at 1.68% nickel), Kalatongke (24Mt at 0.68% nickel), and N'komati (2.8Mt at 2.08% nickel).

The Yacouba's mafic and ultramafic hosts were intruded within the older gneissic assemblage of the West Africa's craton. It is interesting to note that the age (2.1Ga) of the Yacouba Layered Complex is almost the same as that of the large and mineral rich South-African Bushveld complex (host of the Ivanhoe's large Flatreef palladium-Nickel deposit and numerous other chromite+ Platinoid Group Elements deposits as well as the nearby N'Komati nickel-copper-palladium deposit).

Samapleu deposits are typical magmatic Nickel-Copper- Platinum group elements ("PGE") deposits with common metallurgical characteristics. Nickel and copper mineralization (pentlandite, chalcopyrite, combined with pyrrhotite, rarely pyrite) correspond to sulphide disseminations ranging from trace to 40% and semi-massive to massive (40% to 100% sulphides - **Figure 6**) sulphide rich lenses commonly spatially associated with a strong brecciated texture in mostly pyroxenites.

The semi-massive and massive sulfide veins display a number of characteristics suggesting that they are part of a larger mineralizing system:

1. Extreme variations in nickel:copper ratio indicative of fractionation of sulfides.
2. Association with varied textured and brecciated facies.
3. Presence of an unusual texture called loop texture. Large pyrrhotite crystals (5 centimeters in diameter) are rimmed by smaller chalcopyrite and pentlandite that define a loop that encloses the pyrrhotite. These textures are seen at Norilsk and Voiseys Bay nickel-copper-PGE deposits.
4. Abundant sulfide inclusions (globules) within pyroxene crystals indicating that sulfur (S) saturation took place before pyroxene crystallization (at depth).

It is to be noted that the mineralization is open at depth at the Samapleu deposits and remains mostly untested below 200 m from the surface. The mineralization is also open along strike at the Samapleu Extension 1. The Company's regional compilation and exploration work highlights the highly prospective potential of the whole area surrounding these known intersections, including the Yepleu discovery located 18 kilometers SW in the PR 300 (Figure 1).

In the past years, the Company completed a 13,500 line-kilometer airborne magnetometer and radiometric survey over the Samapleu Property in 2012; a 3,900 line-kilometer of airborne helicopter time domain electromagnetic and magnetic survey ("HTEM") in 2013; a 60 line-kilometer of InfiniTEM ground geophysical survey over Samapleu Main and Extension 1 deposits and the Yepleu Complex in 2013 and an additional 2,889 line-kilometer of airborne helicopter time domain electromagnetic and magnetic survey ("HTEM") in 2018. More than 30 priority targets representing a potential for additional nickel-copper-platinum group elements mineralization have been outlined. Strong conductors were identified at the Samapleu Main and Samapleu Extension 1 deposits as well as along a corridor of more than 40 km oriented north-east.

In 2013, the Company purchased its first Coreteck track mounted CSD1300G wire line drill rig. A second drill rig was purchased in 2014 and was sold in 2016. A second hand Boart Longyear DB525 drill rig was recently purchased in replacement of the drill rig sold in 2016. **Table 2** summarizes the drilling programs.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Table 2: Drilling programs from July 2010 to May 2019

Area	Drilling Contractor		Sama Drilling		Total length
	Borehole	(m)	Borehole	(m)	(m)
Main Deposit	90	12,677	12	3,458	16,135
Samapleu Extension 1	57	7,643	19	4,349	11,992
Yepleu	5	4,401	25	4,891	9,292
Sipilou Sud Laterite	80	2,682			2,682
Yorodougou	4	734	2	291	1,025
Bounta			1	376	376
Bounta North chromite	6	684			684
Santa			5	952	952
Grata			2	771	771
Regional	12	2,255			2,255
Total 2010-2019	254	31,076	66	15,088	46,164

Near surface exploration at the Samapleu Project (< 150 m deep) returned centrally located massive sulphide vein stock works encased in a thick halo of disseminated sulphide. Tenors of up to 4-5% Ni and 6-8% Cu, respectively, were obtained in massive sulphide material.

Eleven boreholes were drilled testing the Tri-dimensional Conductivity Depth Imaging ("CDI") targets. All high priority CDI targets could be related to the presence of mineralization in various concentrations including semi-massive to massive lenses within what the Company believes to be the mineralized trend extending at depth and also laterally.

Hole SM44-693140 intercepted a continuous mineralized zone of 149 m grading 0.30% nickel 0.29% copper, 0.04% cobalt, 0.42 grams per ton ("gpt") palladium. The interval started 347 m from surface and included several semi-massive high grade sulphide lenses, including a 30m combined interval grading 0.50% nickel, 0.89% copper and 0.83 gpt palladium within intercepts of up to 2.06% nickel and 1.54% nickel.

Hole SM44-683140B intercepted a total of 91m of mineralized pyroxenite with several semi-massive to massive sulphide stringers and lenses before being terminated within the mineralization due to maximum depth capability of our drill rig. Tenors of up to 6.55% copper and an interval of 3.4 m grading 1.12% nickel, 0.50% copper and 1.61 gpt palladium were intercepted at the bottom of the hole which suggests that the mineralization continues at depth.

Hole SM44-428267 intersected 54 m of mineralized pyroxenite, grading 0.96% nickel, 0.76% copper and 0.74 gpt palladium, including a combined 8.0 m of massive sulphide grading 4.08% nickel, 2.43% copper & 2.92 gpt palladium at the Samapleu Main deposit (**Figure 6**).

Drilling results confirm the 1.6 km long pipe-like intrusion linking the Samapleu Main and the Extension 1 deposits and solidifies the geological model at depth.

The Company's exploration objective is to delineate massive sulphide reservoirs that could be the source of high-grade nickel, copper, palladium lenses intercepted in shallower drill holes at the Samapleu deposits.

Samapleu Extension 1 Deposit

The Samapleu Extension 1 deposit was discovered by Sama Group in June 2010 and is located 1.3 km north of the Samapleu Main deposit. The surface expression of the ultramafic-mafic geological host of the Samapleu Extension 1. Samapleu Extension 1 is approximately 2,000 m long by 50 m to 200 m wide and is still open in both directions. The ultramafic-mafic host is oriented northeast-southwest.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Seventy-eight boreholes totaling 11,557 m were drilled since 2010 at the Samapleu Extension 1 deposit. Borehole SM24-112519 returned 122.0 m grading 0.44% nickel and 0.32% copper and 0.94 gpt of palladium, including 11.0 m @ 1.88% nickel, 0.78% copper and 2.84 gpt palladium; borehole SM25-080542 returned 38.5 m at 0.46% nickel and 0.50% copper and 0.85 gpt palladium and 0.12 gpt platinum; and borehole SM25-039587 returned 129.2 m at 0.26% nickel and 0.17% copper, including 0.41 gpt palladium and 0.06 gpt platinum.

In January and February 2018, Geotech Ltd., completed a 2,889 line-kilometer HTEM survey over the Samapleu and Yepleu areas (PR 300). The HTEM Survey was flown over the area at 200-meter line spacing, using their Versatile Time-Domain Electromagnetic geophysical system. The survey was completed in February 2018.

The Company's exploration objective is to delineate massive sulphide reservoirs that could be the source of high-grade nickel-copper-cobalt-palladium lenses intercepted in shallower drillholes at the Samapleu deposits.

From April to August 2018, the Company carried out the logistical preparation at the Yepleu area (PR 300) for the planned ground electromagnetic survey using HPX's proprietary Typhoon EM methodology.

Phase 1 of the Typhoon geophysical survey started on August 3, 2018 (**Figures 3 to 5**) and was completed on September 21, 2018. Additional Typhoon phase programs will follow.

Mineral Resource

On December 22, 2015, the Company filed a revised 43-101 compliant mineral resource estimate on the Samapleu Property. The revised mineral resource estimate includes an indicated mineral resource of 14.1 Mt grading 0.24% nickel and 0.20% copper and containing 74.5 Mlb of nickel and 61.2 Mlb of copper, together with an inferred mineral resource of 26.5 Mt grading 0.24% nickel and 0.18% copper and containing 134 Mlb of nickel and 107.2 Mlb of copper (**Table 3**).

Table 3: Samapleu Project Mineral Resources at 0.10% nickel cut-off grade, December 2015.

Classification	Tonnes (,000) t	Contained Nickel (,000) Lbs	Contained Copper (,000) Lbs	Nickel %	Copper %	Cobalt %	Platinum gpt	Palladium gpt	Gold gpt	Rhodium gpt
Indicated	14,159	74,500	61,200	0.24	0.20	0.02	0.11	0.29	0.03	0.01
Inferred	26,480	134,000	107,200	0.24	0.18	0.01	0.09	0.31	0.03	0.01

During the nine-month period ended September 30, 2019, an amount of \$379,054 was capitalized on the Samapleu Property, resulting in a total capitalized exploration and evaluation expenditures of \$20,725,400 so far.

Estimated expenditures:

The current estimate for expenditures on the Samapleu East (PR 838) is approximately \$400,000 but can be increased based on results.

Zéréguiné Property (PR 300)

Sama CI owns the exploration permit No. 300 ("PR 300") which covers 290 square kilometers of property in Ivory Coast which expired on December 18, 2018. In accordance with PR 300, Sama CI was required to complete an exploration program evaluated at F CFA 614,000,000 (\$5,053,666 as at September 30, 2019) before the term of the exploration permit. This exploration program was completed on time and on September 19, 2018, Sama CI filed the required documentation with the Department of Mines in Côte d'Ivoire, for the renewal of PR 300 which should expire on December 18, 2021. As of today, there is no indication that the exploration permit will not be granted. However, a whole or partial impairment of the value of the Zéréguiné Property will be required should Sama CI fail to obtain the exploration permit.

The Zéréguiné Property is 100% owned by Sama CI and is adjacent to the Samapleu Property.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Yepleu Occurrence

On June 6, 2013, the Company announced the discovery of mineralized surface outcrops grading up to 1.39% nickel and 2.26% copper (tested using a hand-held Niton XRF analyzer) located 18 km southwest of the Samapleu nickel-copper deposit.

The occurrence, named Yepleu, covers an area of 24 km² in the NE corner of the Zérégouiné Exploration Permit. Outcrops with up to 25% disseminated sulphide mineralization in mafic and ultramafic rocks and strong mineralization are seen at surface along a NW-SE strike length of 1.7 km, with some of them showing continuous mineralized horizon of up to 25 m in strike length.

The sector shows a strong HTEM conductivity covering an area of 6 km by 4 km with extension to the SW over more than 17 km (**Figure 2**).

The disseminated mineralization is typically characterised by fine isolated grains to large granular aggregates of nickel, copper and iron sulphides. Sulphide phases observed so far include pyrrhotite, chalcopyrite, pentlandite and minor pyrite. Pentlandite occurs as inclusions in pyrrhotite. Disseminated sulphide occurs as fine grains of 0.5 to 1 millimetre in diameter, showing a high ratio of pyrrhotite versus chalcopyrite. Sulphide veinlets and fine filaments are also present. Composite grains of sulphide material are dominant, forming sulphide masses of odd shapes ranging from a few millimetres up to several centimetres in any one dimension. The semi-massive mineralization lenses show between 30% to 70% sulphide minerals.

Both HTEM survey (2013 and 2018) have covered 100% of the property surface area and have identified that the geological host of the newly discovered Yepleu nickel-copper-palladium mineralization extends to the entire length along an axe-oriented NE-SW for more than 17 km long. Numerous surface gossans and mineralized grab samples including the 8.4%Cu (Niton XRF analyzer) are present at surface. The 2018 HTEM survey outlined several new prospective sectors parallel to those already known (**Figure 2**).

The Company performed a first phase of Typhoon survey in August 2018 and began the phase 2 Typhoon survey on April 1, 2019. Several additional sectors at Yepleu will be covered with the Typhoon in months to come (**Figures 2 & 3**).

Five holes for 4,191 m were drilled by Capital Drilling an Australian based company and have intersected new mineralization at the Yepleu Sector 1.

The hole YE29-556043 returned results with a combined 5.2 m of semi-massive sulfides grading 1.16% nickel, 0.62% copper, 0.24 gpt palladium and 0.21 gpt platinum (using a cut-off-grade of 0.8% nickel) within a larger interval of 37 m of disseminated sulphide mineralization grading 0.41% nickel, 0.31% copper, 0.23 gpt palladium and 0.17 gpt platinum. A second hole drilled at the Yepleu Sector 1 as follow-up on the mineralized zone intersected on the first deep hole (YE29-556043) returned a mineralized zone of 54 m of disseminated to semi-massive and massive sulfide material from 585 m to 639 m from the surface. Assays results are pending.

Two addition holes were drilled subsequently as follow-up on the mineralized zone intersected on the first deep hole. Hole YE29-553044 returned a mineralized zone of 54 meters of disseminated to semi-massive and massive sulfide material from 585 m to 639 m from the surface. The second hole, YE22-225440 intersected 30 meters of disseminated to semi-massive and massive sulphide, including 1.7 m of massive sulphide (> 70% sulphide).

The Company's discovered mineralization at 600 m at depth at the Sector 1 within the Yepleu license and within the newly discovered Yacouba Intrusive Complex (dated as the same age as the Bushveld Complex in RSA (2.1 Ga) which host the large nickel-palladium Platreef deposit) is another evidence that the Yacouba intrusion system has the potential to host a significant amount of high-grade nickel-copper-cobalt and palladium in reservoirs and pods that are yet to be discovered. Sama's have outlined a strike length for the Yacouba Intrusive Complex of more than 66 km. The Yepleu area appears to be the center of the intrusion from where it seems to have "radiated" in all directions. This observation suggests that the Yepleu area is as proximal as we can get to the hot spot (**Figure 7**).

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

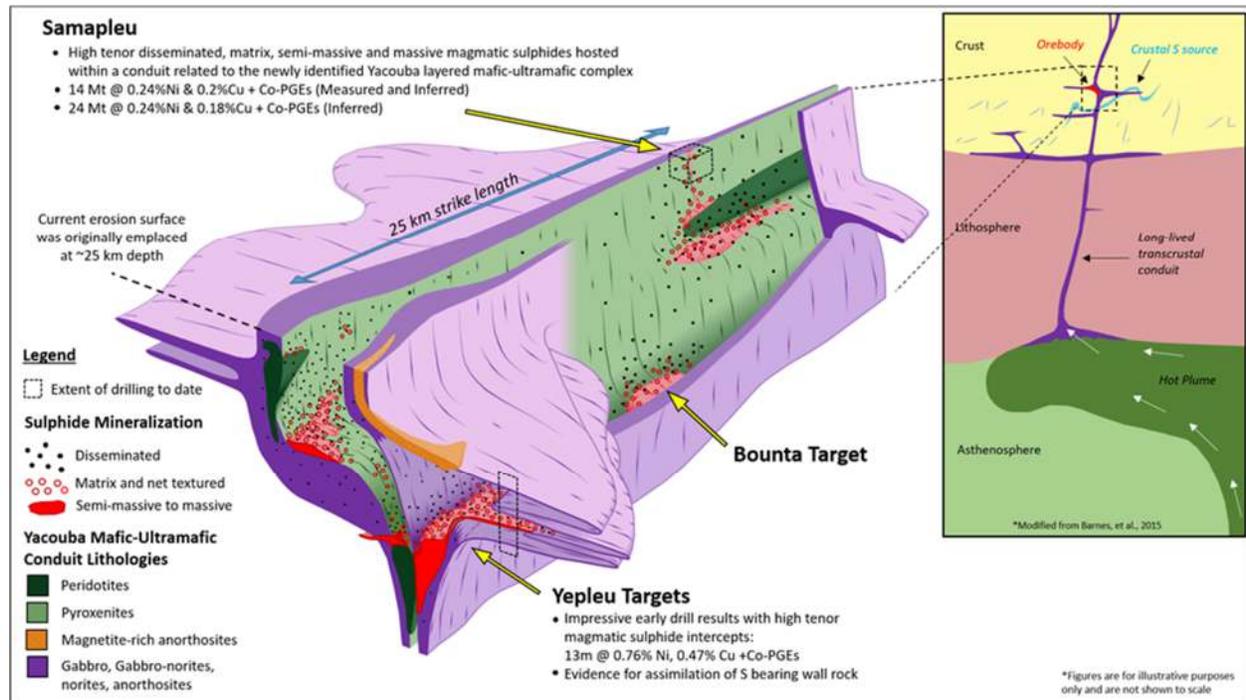


Figure 7: Schematic visualization of the Yacouba intrusive complex.

During the nine-month period ended September 30, 2019, an amount of \$2,728,090 was capitalized at the Zérégouiné Property, resulting in total capitalized exploration and evaluation expenditures of \$6,848,411 so far.

Estimated expenditures:

The current estimate for expenditures on the Zérégouiné Property is approximately \$500,000 but can be increased based on results.

Grata property (PR 604)

Sama CI owns the exploration permit No. 604 ("PR 604") which covers 80 square kilometers of property in Ivory Coast and expires on December 8, 2019. In accordance with PR 604, Sama CI agreed to complete an exploration program evaluated at F CFA 663,000,000 (approximately \$1,461,221 as at September 30, 2019) before the term of the exploration permit.

The Grata Property is 100% owned by Sama CI and is located adjacent to the north-eastern boundary of the Samapleu Property.

The property is located adjacent to the north-eastern boundary of the former Samapleu exploration permit. Sama believes that ultramafic sequences of the recently outlined large Yacouba Layered Complex which hosts the Samapleu Nickel-Copper-Palladium deposits, are extending within the Grata Permit and as such represent a prime target for nickel-copper-palladium mineralization. Borehole GR72-787708 has been terminated at 342m. It intersected the typical Yacouba complex sequence including fractured pyroxenite and gabbro with sulphide mineralization as fractures filling between 180 and 187m.

The Geotech HTEM survey flown in the early months of 2018 covered the entire surface area of the Grata exploration permit (Figure 2). In September 2019, the Company proceeded with Typhoon EM geophysical surveys at the Grata property (PR 604) (Figure 3).

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

During the nine-month period ended September 30, 2019, an amount of \$403,609 was capitalized at the Grata Property, resulting in total capitalized exploration and evaluation expenditures of \$779,135 so far.

Estimated expenditures:

The current estimate for expenditures on the Grata Property for the next twelve months is approximately \$250,000 but can be increased based on results.

Zoupleu PR 837

SMT owns the exploration permit No. 837 ("PR 837") which covers 135 square kilometers of property in Ivory Coast and expires on June 19, 2023. In accordance with PR 837, SMT agreed to complete an exploration program evaluated at F CFA 1,120,000,000 (approximately \$2,468,428 as at September 30, 2019) before the term of the exploration permit.

The Zoupleu Property is 100% owned by SMT and is located adjacent to the western edges of both Samapleu East and West properties (**Figure 1**). Although, the area needs to be flown with a Helicopter Electromagnetic survey there are indications of good EM targets located in the south-east corner of the property (**Figure 2**).

NICKEL MARKETS ANALYSIS

According to *USGS*, the world mine production of nickel reached 2.3Mt in 2019 (**Figure 8**). Nickel occurs in nature principally as oxides (Ni laterite), sulphides (ie: Samapleu, Norilsk, etc) and silicates (olivine, serpentine: no economic potential). Nickel is the fifth most common element on earth with its highest concentrations found in the core and the lowest in the earth's crust. According to the *World Nickel Factbook 2018*, nickel resources are mined in about 33 countries (an increase from 25 countries in 2005) on all continents and are smelted or refined in about 30 countries. Primary nickel is produced and used in the form of ferro-nickel, nickel oxides, nickel pig iron (NPI), nickel sulphate and other chemicals, and as more or less pure nickel metal. Nickel is also readily recycled in many of its applications, and large tonnages of secondary or "scrap" nickel are used to supplement newly mined ores.

According to analysts, the global market for nickel in general is expected to register significant growth during the forecast period of 2018 to 2023. Already we are seen a drastic reduction on available nickel metal on the London Metal Exchange (LME), the inventory is at its lowest level (less than 60,000 t) since 2012 (**Figure 10**). Although the typical segments of the market, ie, Aerospace and Stainless Steel for infrastructures will continue to grow at a fast pace, it is expected that a significant growth will also come from the rising demand for nickel base metal in the battery industry for the electric vehicle market and grid storages.

The stainless-steel industry is the biggest user of primary nickel and scrap nickel followed by alloys, special steel, plating, batteries and foundries. In 2017, the stainless-steel industry accounted for approximately 75% of all primary nickel usage and also consumed nearly 900,000 tonnes of scrap nickel. The battery industry accounted for 3.7% with the remainder used by the other above-mentioned industries (ref: *World Nickel Factbook 2018*). According to the *Australian Department of Industry, Innovation and Science*, China is the largest market for nickel. It accounted for 65% of the world nickel consumption. The stainless-steel production in China was 25 million tonnes in 2016, Japan was the second largest market for stainless steel production accounting for 3.3 million tonnes in 2016.

Growth in the Aerospace and Stainless-Steel segments

The Aerospace & defense segment is expected to hold the largest market share during the next five years due to rising investments and growing number of aircraft deliveries. Asia Pacific accounted for largest market share attributed to growing population and increasing number of end-use industries such as oil & gas, automotive and chemical. There is growing demand for nickel alloys in emerging countries as India and China.

Increasing Demand from Burgeoning Battery Industry

The emerging battery market for renewable energy is a new market for nickel. Effectively, nickel is a vital component of the key next generation batteries including nickel-manganese-cobalt (NMC) batteries used in electronic vehicles and nickel-cobalt-aluminum (NCA) batteries, which are being adopted in electronic vehicles and grid storage. The willingness to migrate from fossil energy to electric energy is an irreversible trend. The new market trend for batteries

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

for automobiles, trucks, trains and ships, not to mention for residential and industrial energy storages, is underway and is going to increase exponentially in the next few years. The nickel market will benefit greatly since the main components of any given batteries are graphite and nickel.

Nickel is used as the cathode material for lithium-ion batteries and used in increasingly large quantities. Industry major Vale predicts nickel demand in the electronic vehicle market to reach 36,000 tons in the current year, and then balloon to 350,000-to-500,000t by 2025.

There is a consensus between analysts that by the end of the 2020's era, nearly 70% of new cars will have some form of electrification. Analysts at Roskill predict that primary nickel demand in the battery sector is forecasted to rise by more than 20% per year between 2017 and 2027, to over 500 kilotons per year.

Last year, primary nickel use in batteries was just below 6% of total nickel demand compared with 70% for stainless steel. Production of electric vehicles accounted for only 2.5% of global vehicle sales in 2018, however the growth rate compared to previous years is very impressive, up to 60% growth according to analysts. Every market analyst is predicting a very strong growth rate in years to come.

The current battery technology used in most electric vehicles is lithium-ion batteries. The main component of these batteries is nickel well over the other raw materials needed like cobalt, manganese, lithium and graphite. The amount of nickel used in batteries is likely to increase even more in the search to increase the energy density of the batteries and to reduce the need of the expensive cobalt. This could also have a direct impact on the global need for nickel over the next 5 to 10 years.

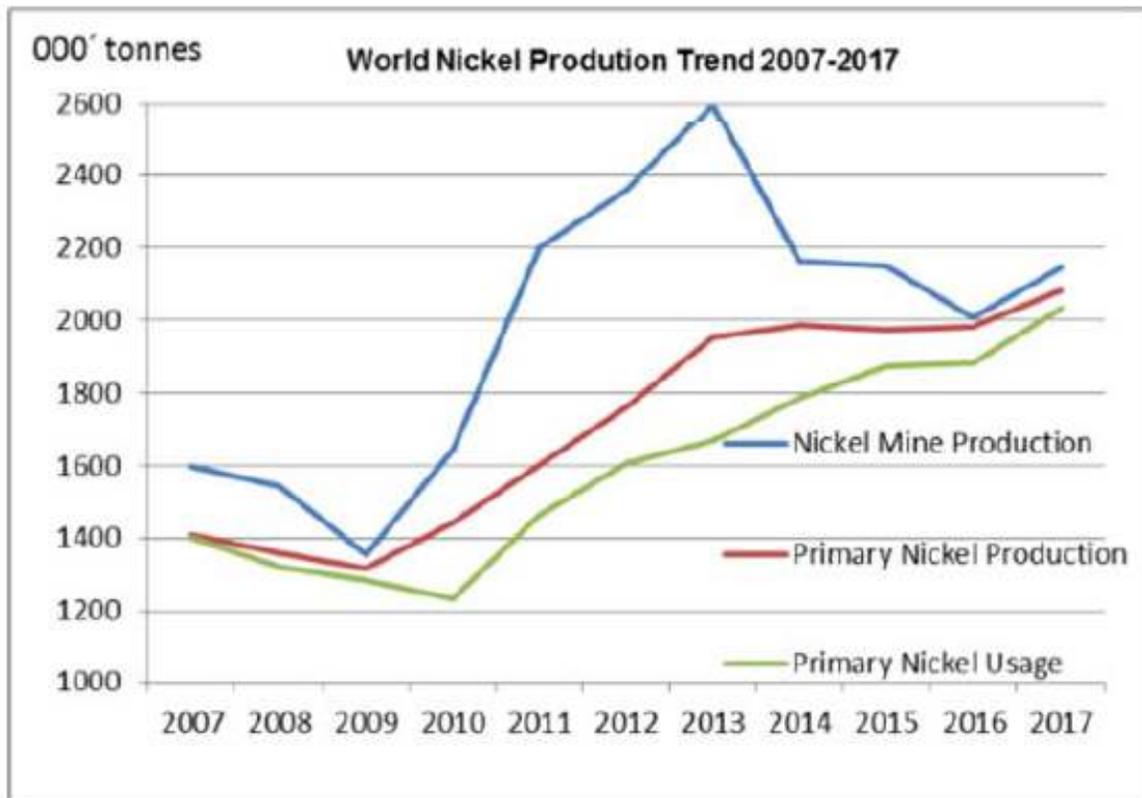


Figure 8: World Nickel Production 2007 to 2017 (sources: International Nickel Study Group 2019)

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Out of all metals used by battery suppliers, nickel is the most worrying when it come to supply. With the fast-declining LME inventory, batterie producer are getting very worried for their long-term nickel supply. According to Bloomberg, the demand for nickel from lithium-ion batteries is forecast to surge about 16 times to 1.8 million tons of contained metal by 2020.

Meeting EV demand requires the Cu, Ni, Co and Lithium to grow significantly in size over the next decade. Effectively and according to CITI Research, EV demand growth should expand the size of the entire lithium market by 300%, the cobalt by 100%, nickel by 30% and copper by 10%. Nickel demand in Li-ion batteries is forecasted to grow to 465kt by 2025, compared to 100kt today, and 847kt by 2020.

According to *Coherent Market Insights*, North America is expected to be the largest market in terms of revenue share in years to come. This is attributed to growing usage of nickel powder in alloys, and stainless steel in the U.S. and Canada. According to the USGS, approximately 45% of the nickel consumed was utilized in alloy steel and stainless-steel production in the U.S. and produced 1.64 million tons of stainless steel (nickel bearing) in 2014.

Sulphide miners typically produce nickel concentrate with ranging between 7% to 15% nickel content while laterite miners mostly produce either ferro-nickel or NPI with nickel content ranging between 10% to 30%, or nickel sulphate, nickel matte and others. Sulphide and laterite miners can also produce nickel powders together with iron powder by-product as market ready products.

Nickel sulphide concentrate are typically sold at the 70-75% of the LME value to smelters, who then smelt and refine the nickel toward the so-called Class 1 nickel product. Ferronickel and NPI are sold directly to stainless steel producers with a higher margin to the LME (+80% of LME) partially due to the iron content.

Nickel price has jumped by +30% in the past year and have reach his highness at +8.20\$/pound (September 2019) since January 2015.

According to Bloomberg, Japan's Sumitomo Metal Mining Co., is forecasting a market deficit of 51,000 tons in 2019, First Quantum Minerals Ltd. Indicated that will reopen the [Ravensthorpe](#) mine in Western Australia in the first quarter of 2020.

Nickel Market

Since 2012, mining and metals markets were affected by the downturn of the world economic due to a low recovery of the global economy and the overcapacity in many markets. As a result, mining companies had to scale down their investment budgets until mid-2017. Since then, nickel and coper markets have firmed-up slightly due to the need of these metals in new applications. **Figure 9** reports values in US\$/lb. of nickel and copper from November 2014 to November 2019 (source: Kitco.com).

There is a significant decrease in nickel stock at the LME since October 2017, from 380,000t to less than 120,000t (**Figure 12**).

Nickel is the best-performing base metal this year It has benefited from reduced LME inventory, long-term prospects for a demand boost from its use in electric-vehicle batteries, as well as concerns about nickels supply from Indonesia.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019



Figure 9: Nickel and Copper values from November 2014 to November 2019.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

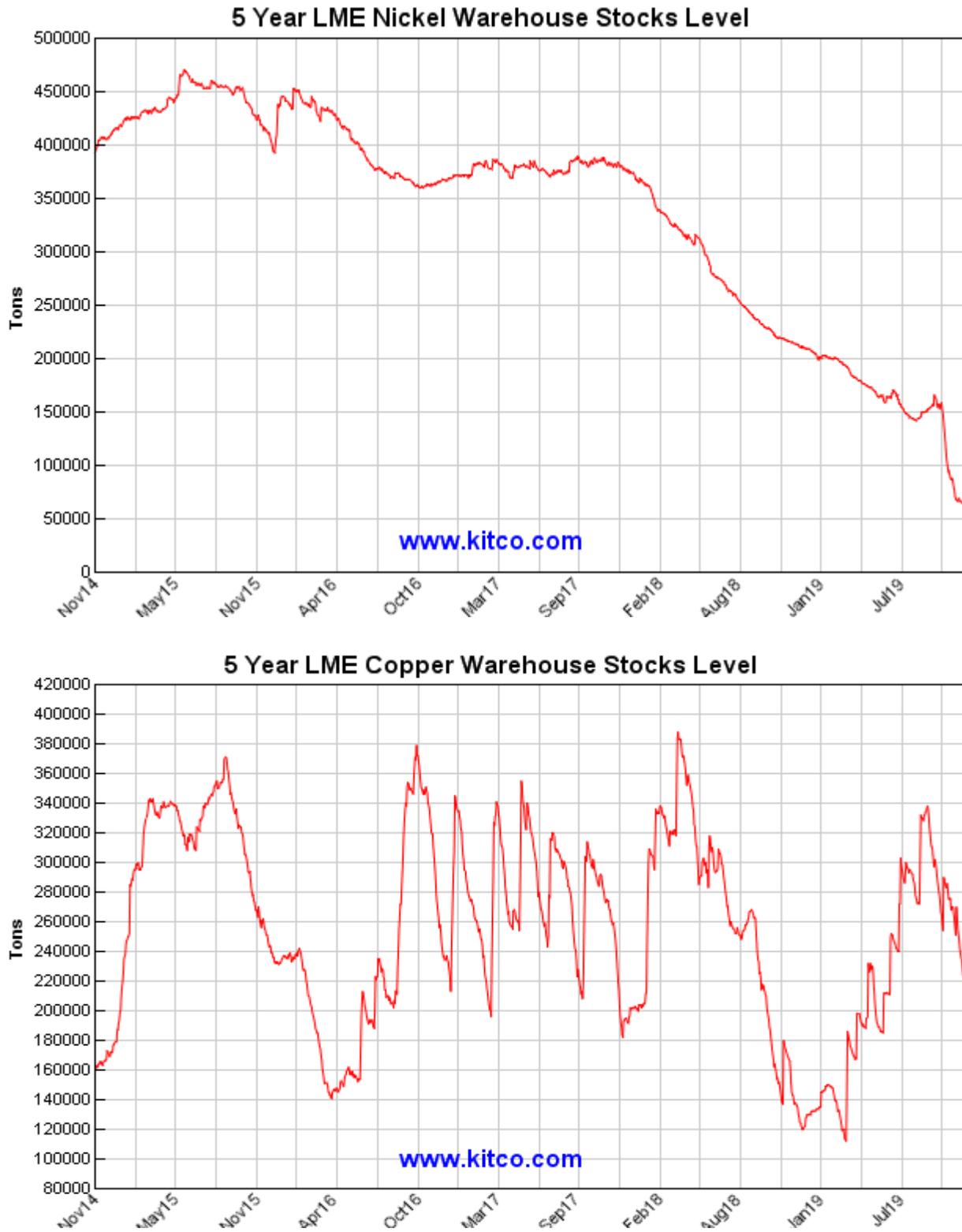


Figure 10: Inventories in Nickel and Copper at the London Stock Exchange (LME) since November 2014.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

SELECTED FINANCIAL INFORMATION

Assets held for sale

On June 14, 2019, the Company has entered into a share purchase agreement to sell 8,300,000 common shares of SRG Mining Inc. ("SRG") for an aggregate purchase price of US\$5,000,000. The sale shall occur in five tranches and is expected to fully close by December 15, 2019. The closing of each tranche is conditional on the full and complete closing of each proceeding tranche in accordance with the agreement. The settlement terms are considered to be a derivative financial instrument because the share price of SRG's common shares is variable, and the purchase price different from the consideration that would be otherwise obtained at each tranche. On initial classification as asset held for sale a derivative financial instrument liability of \$123,500 was recognized in the interim condensed consolidated statement of financial position. In addition, the Company assessed the carrying amount and the fair value less cost to sell and recognized an impairment of \$3,063,979 in the interim condensed consolidated statement of loss and comprehensive loss.

On August 5, 2019, a first tranche was completed for an amount of US\$1,000,000 (\$1,321,600) representing a disposal of 1,660,000 common shares of SRG. As a result of this transaction, the Company recorded a reversal of impairment of \$149,400 and a loss on disposal of asset held for sale of \$189,000 in the interim condensed consolidated statement of loss and comprehensive loss.

As at September 30, 2019, the Company recognized a gain on fair value of a derivative financial instrument of \$771,500 as well as an impairment of \$796,800 in the interim condensed consolidated statement of loss and comprehensive loss.

The continuity of the Company's asset held for sale is as follows:

	September 30, 2019 \$
Balance – beginning of period	-
Initial recognition as an asset held for sale	9,869,979
Disposal	(1,510,600)
Impairment	(3,711,379)
Balance – end of period	<u>4,648,000</u>

Financial Position Analysis

	September 30, 2019 \$	December 31, 2018 \$	December 31, 2017 \$
Total assets	58,478,762	61,699,592	56,586,317
Total liabilities	5,429,462	5,929,249	5,265,657
Total equity	53,049,300	55,770,343	51,320,660
Working capital*	4,260,175	5,109,284	3,969,964

*Working capital is a measure of current assets less current liabilities.

Assets

Total assets at September 30, 2019 were \$58,478,762 compared to \$61,699,592 at December 31, 2018, a decrease of \$3,220,831 due to a decrease in cash of \$3,774,090 and investment in associate of \$10,504,227 which were offset by an increase in asset held for sale of \$4,648,000, exploration and evaluation assets of \$3,511,682, convertible debenture of \$1,154,089, bridge loan of \$724,411 and derivative financial instrument of \$648,000.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

The decrease in investment in associate is due to the signature of a share purchase agreement to sell 8,300,000 common shares of SRG Mining Inc. ("SRG") in five tranches for an aggregate purchase price of US\$5,000,000. This transaction required the reclassification from investment in associate to asset held for sale of a carrying amount of \$9,869,979 as well as the recognition of a derivative financial instrument of \$648,000. In addition, investment in associate decreased by \$634,248 due to the recognition of a share of loss in associate.

Asset held for sale increased by \$4,648,000 due to the reclassification of \$9,869,979 from investment in associate which was subsequently impaired by an amount of \$3,711,379. In addition, a first tranche was completed for the disposal of 1,660,000 common shares in SRG representing a decrease of asset held for sale of \$1,510,600.

Exploration and evaluation assets have increased by \$3,511,682 due to work performed on its mining properties, mainly on the Zérégouiné property for total expenditures of \$2,728,090.

The bridge loan and the convertible debenture were made available to SRG to fund their immediate cash requirements.

Liabilities

Total liabilities at September 30, 2019 were \$5,429,462 compared to \$5,929,249 at December 31, 2018, a decrease of \$499,787 in accounts payable and accrued liabilities.

Equity

At September 30, 2019, the Company had an equity of \$53,049,462 compared to \$55,770,343 at December 31, 2018, a decrease of \$2,721,043 mainly due to the period net loss of \$6,060,119 and to the recognition of a stock-based compensation of \$982,626. These decreases were however offset by the exercise of warrants and stock options for total proceeds of \$2,356,450.

Operating Results analysis

	Three-month period ended September 30, 2019	Three-month period ended September 30, 2018	Nine-month period ended September 30, 2019	Nine-month period ended September 30, 2018
	\$	\$	\$	\$
Revenue	-	251,084	25,397	371,875
Operating expenses	579,602	734,409	2,007,118	1,656,775
Other income (expenses)	(3,488,837)	(225,728)	(4,060,102)	(434,668)
Net loss	(4,068,439)	(898,452)	(6,060,119)	(1,970,795)
Net loss per common share				
Basic	(0.02)	(0.01)	(0.03)	(0.01)
Diluted	(0.02)	(0.01)	(0.03)	(0.01)

THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019 COMPARED TO THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

For the three-month period ended September 30, 2019, the Company recorded a net loss of \$4,068,439 or (\$0.02) per share compared to \$898,452 or (\$0.01) per share for the same period in 2018, an increase of \$3,169,987 due to the following important variations:

Revenue

The Company had no revenues in 2019 compared to \$251,084 in 2018. These revenues were related to administrative expenses and contracts for bulldozing and drilling services charged to a related company.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Operating expenses

Operating expenses went from \$734,409 in 2018 to \$579,602 in 2019, a decrease of \$154,807 mainly due to a decrease in professional fees of \$96,976, consulting fees of \$29,143, travel and representation fees of \$20,998, investor relation fees of \$15,000 and transfer and filing fees of \$10,370. These decreases were offset by an increase in the stock-based compensation of \$30,384.

Other income (expenses)

Other expenses totaled \$3,488,837 in 2019 compared to \$225,728 in 2018, an increase of \$3,263,109 due to the recognition of an impairment on an asset held for sale of \$3,711,379, a loss on disposal of an asset held for sale of \$189,000 and a loss on fair value of investments of \$196,262. These increases were however offset by the recognition of a gain on fair value of a derivative financial instrument of \$648,000, a decrease in the share of loss and comprehensive loss of associate of \$133,932 and an increase in interest income of \$25,175.

NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019 COMPARED TO THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

For the nine-month period ended September 30, 2019, the Company recorded a net loss of \$6,060,119 or (\$0.03) per share compared to \$1,970,795 or (\$0.01) per share for the same period in 2018, an increase of \$4,089,324 due to the following important variations:

Revenue

Revenue totalled \$25,397 in 2019 compared to \$371,875 in 2018. These revenues are related to administrative expenses and contracts for bulldozing and drilling services charged to a related company.

Operating expenses

Operating expenses went from \$1,656,775 in 2018 to \$2,007,118 in 2019, a decrease of \$350,343 due to a decrease in consulting fees of \$109,622, professional fees of \$88,137, investor relations fees of \$45,000, travel and representation fees of \$15,190, general and other expenses of \$15,172 and transfer agent and filing fees of \$12,702. These decreases were offset by an increase of the stock-based compensation of \$535,948, project development costs of \$44,000 and salaries and benefits of \$60,564.

Other income (expenses)

Other expenses totaled \$4,060,102 in 2019 compared to \$434,668 in 2018, an increase of \$3,625,434 due to the recognition of an impairment on an asset held for sale of \$3,711,379, a loss on disposal of an asset held for sale of \$189,000, a loss on fair value of investments of \$196,262 and an increase in the share of loss and comprehensive loss of associate of \$68,506. These increases were however offset by the recognition of a gain on fair value of a derivative financial instrument of \$648,000 and an increase in interest income of \$14,574.

Cash Flows analysis

	Three-month period ended September 30, 2019	Three-month period ended September 30, 2018	Nine-month period ended September 30, 2019	Nine-month period ended September 30, 2018
	\$	\$	\$	\$
Cash required by operating activities	(253,632)	(588,195)	(1,089,185)	(1,596,946)
Cash required by investing activities	(754,315)	(969,230)	(5,041,355)	(2,453,193)
Cash generated by financing activities	-	-	2,356,450	6,961,423

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019 COMPARED TO THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

Operating Activities

For the three-month period ended September 30, 2019, operating activities required cash flows of \$253,632 compared to \$588,195 for the same period in 2018, a decrease of \$334,563 in the use of cash flows due to the net loss after adjustment for items not affecting cash which went from \$443,297 in 2018 to \$326,168 in 2019 and to the change in non-cash working capital items which generated cash flows of \$72,536 in 2019 compared to required cash flows of \$144,898 for the same period in 2018.

Investing Activities

For the three-month period ended September 30, 2019, investing activities required cash flows of \$754,315 compared to \$969,230 for the same period in 2018, a decrease of \$214,915 mainly due to the disposal of 1,660,000 common shares of SRG for proceeds of \$1,321,600, by a decrease in property, plant and equipment acquisition of \$460,643 and by a reimbursement of a portion of the bridge loan made available to SRG of \$300,000. These inflows were however mainly offset by an investment in a convertible debenture of SRG of \$1,330,400, by an increase in exploration and evaluation expenditures of \$645,864 and by deposits on property, plant and equipment as well as on exploration and evaluation expenditures of \$183,253 and \$169,671 respectively.

NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019 COMPARED TO THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

Operating Activities

For the nine-month period ended September 30, 2019, operating activities required cash flows of \$1,089,185 compared to \$1,596,946 for the same period in 2018, a decrease of \$507,761 mainly due to the change in non-cash working capital items which generated cash flows of \$58,811 in 2019 compared to required cash flows of \$412,452 for the same period in 2018 and to the net loss after adjustment for items not affecting cash which went from \$1,184,494 in 2018 to \$1,147,996 in 2019.

Investing Activities

For the nine-month period ended September 30, 2019, investing activities required cash flows of \$5,041,355 compared to \$2,453,193 for the same period in 2018, an increase of \$2,588,162 due to an increase in exploration and evaluation expenditures of \$2,093,666, to a bridge loan made available to SRG of \$1,000,000 of which an amount of \$300,000 was reimbursed, to an investment in a convertible debenture of SRG of \$1,330,400 and to deposits on property, plant and equipment as well as on exploration and evaluation expenditures of \$183,253 and \$169,671 respectively. These outflows were offset by the disposal of 1,660,000 common shares of SRG for proceeds of \$1,321,600 and by a decrease in property, plant and equipment acquisition of \$567,228.

Financing Activities

For the nine-month period ended September 30, 2019, financing activities generated cash flows of \$2,356,450 compared to \$6,961,423 for the same period in 2018, a decrease of \$4,604,973. In 2019, a total of 8,317,857 warrants and 740,000 stock options were exercised for total proceeds of \$2,356,450 while a private placement for total net proceeds of \$5,111,828 as well as 5,889,107 warrants and 1,755,000 stock options were exercised for total proceeds of \$1,849,595 in 2018.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Quarterly Results Trends (in thousands)

The operating results for each of the last eight quarters are presented in the following table. Readers are invited to take into consideration that the quarter ended December 31, 2017 include SRG results until its deconsolidation on November 23, 2017 while those after December 31, 2017 includes Sama's results only.

	Sept 30, 2019	June 30, 2019	March 31, 2018	Dec 31, 2018	Sept 30, 2018	June 30, 2018	March 31, 2018	Dec 31, 2017
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue	-	15	10	74	251	46	75	19
Net income (loss)	(4,068) ⁽²⁾	(862)	(1,130)	(1,673)	(898)	(441)	(631)	22,567 ⁽¹⁾
Net income (loss) per share	(0.020)	(0.004)	(0.006)	(0.009)	(0.005)	(0.002)	(0.005)	0.197

⁽¹⁾ A gain resulting from the loss of control in SRG of \$28,454,689 was recorded during the fourth quarter ended December 31, 2017.

⁽²⁾ An impairment of \$3,711,379 on investment in associate following the classification as asset held for sale was recognized during the third quarter ended September 30, 2019.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Company's key management personnel and related companies. Unless otherwise stated, balances are usually settled in cash.

Key management personnel are the members of the Board of Directors and the officers of the Company. The remuneration of key management personnel includes the following:

Transactions with key management personnel

During the nine-month period ended September 30, 2019, the Company incurred fees of \$78,750 with the Chief financial officer ("CFO") (for the nine-month period ended September 30, 2018 – \$65,000). These fees are recorded under professional fees in the interim condensed consolidated statement of loss and comprehensive loss. As at September 30, 2019, no amount (December 31, 2018 – \$16,425) is due to the CFO.

During the nine-month period ended September 30, 2019, the Company paid a salary of \$24,750 (for the nine-month period ended September 30, 2018– \$22,500) to an officer. These fees are recorded under salaries and benefits in the interim condensed consolidated statement of loss and comprehensive loss. As at September 30, 2019 and December 31, 2018, no amount was due to the officer.

During the nine-month period ended September 30, 2019, the Company incurred fees of \$172,494 (for the nine-month period ended September 30, 2018 – \$172,492) with a corporation controlled by a director who is also the President and Chief Executive Officer. An amount of \$34,499 (for the nine-month period ended September 30, 2018 – \$34,497) has been recorded under consulting fees in the interim condensed consolidated statement of loss and comprehensive loss and \$137,995 (for the nine-month period ended September 30, 2018 – \$137,995) has been capitalized to the Company's E&E assets. As at September 30, 2019, no amount (December 31, 2018 – \$11,679) is due to that corporation.

During the nine-month period ended September 30, 2019, a stock-based compensation of \$733,059 was recognized in connection with stock options granted to officers and directors solely (for the nine-month period ended September 30, 2018 – \$348,956). This stock-based compensation was recognized in the interim condensed consolidated statement of loss and comprehensive loss.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Transactions with related parties

During the nine-month period ended September 30, 2019, the Company incurred fees of \$82,186 (for the nine-month period ended September 30, 2018 – \$63,436) with a corporation where the Company's Executive Chairman is also a shareholder of that corporation. An amount of \$75,000 (for the nine-month period ended September 30, 2018 – \$56,250) was recorded under consulting fees and \$7,186 (for the nine-month period ended September 30, 2018 – \$7,186) under general and other expenses in the interim condensed consolidated statement of loss and comprehensive loss. As at September 30, 2019, no amount (December 31, 2018 – \$36,324) is due to that corporation.

During the nine-month period ended September 30, 2019, the Company incurred fees of \$69,375 (for the nine-month period ended September 30, 2018 – \$60,625) with a company controlled by the Vice-president Legal and Corporate Affairs. These fees are recorded under professional fees in the interim condensed consolidated statement of loss and comprehensive loss. As at September 30, 2019 no amount (December 31, 2018 – \$15,075) is due to the Vice-president Legal and Corporate Affairs.

During the nine-month period ended September 30, 2019, the Company charged an amount of \$25,397 to SRG as part of a service agreement (\$371,875 as part of drilling and service agreements for the nine-month period ended September 30, 2018). As at September 30, 2019, no amount (December 31, 2018 – \$62,344) is due from SRG.

On June 18, 2019 the Company signed a bridge loan agreement with SRG for an amount of \$1,000,000. As at September 30, 2019, an amount of \$724,411 including interest receivable is outstanding.

On August 5, 2019, the Company advance an amount of US\$1,000,000 to SRG as part of a convertible debenture agreement. As at September 30, 2019, an amount of US\$1,015,068 (\$1,343,951) including interest receivable is outstanding.

Termination and Change of Control Provisions

The Company has entered into consulting agreements with key management personnel for total annual payments of \$527,500. The consulting agreements contain termination without cause and change of control provisions. Assuming that this agreement would be terminated without cause during the year ended December 31, 2019, the total amounts payable to key personnel in respect of severance would amount \$1,163,750. If a change of control would occur during the year December 31, 2019, the total amount payable in respect of severance, if elected by the officers would amount \$1,163,750.

COMMITMENTS

- a) Sama signed a technology license agreement with CVMR Corporation ("CVMR"). Under the terms of the agreement, CVMR grants Sama use of its technology to refine the mineralized material from the Samapleu property in Ivory Coast, West Africa, to produce nickel and iron powders. In consideration of the technology license, Sama has agreed to pay CVMR \$5,000,000 either in cash or, subject to approval from the TSX-V, through the issuance of an equivalent value of common shares of Sama within 90 days of the granting of the mining license. Share price will be based on the average closing price of those shares on the exchange for each day during the three months of trading prior to issuance. In addition, CVMR will receive a royalty equal to 15% of the sale price of metal powders produced by the plants in excess of the London Metal Exchange ("LME") price of the elements contained in such powders.
- b) On October 23, 2017, the Company entered into a binding term sheet, amended on March 12, 2018, in view of forming a strategic partnership with HPX TechCo Inc. ("HPX"), in order to develop its nickel-copper and cobalt project in Ivory Coast, West Africa.

As part of the term sheet, HPX would make a strategic investment of \$5,250,000 by acquiring a total 25,000,000 units at a price of \$0.21 per unit, with each unit consisting of one common share and one share purchase warrant. Each warrant will entitle HPX to purchase an additional common share at a price of \$0.28 per common share for 24 months following the closing date. If exercised, these warrants would represent an additional investment of \$7,000,000 for a total investment, by HPX, of \$12,250,000. HPX would also have the ability to earn, through a joint venture with the Company, up to a 60% interest in the Company's Ivory Coast projects, including the Samapleu project, by financing exploration and evaluation expenses and completing a feasibility study through total

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

investments of \$30,000,000. The private placement of \$5,250,000 and the exercise of warrants of \$7,000,000 would be considered part of this total investment of \$30,000,000.

Highlights of the term sheet include the following:

- HPX will have a pre-emptive/anti-dilution right to maintain its ownership percentage in the Company in future equity financings as long as the holdings of common shares of the Company by HPX and its affiliates remains above 10%;
- HPX will have the right, but not the obligation, to nominate and have appointed: (i) two directors to the board of the Company as long as its shareholding in the Company remains above 10%; and (ii) four directors if its shareholding is greater than 50%;
- HPX would earn into the Ivory Coast project through Sama Nickel as the joint venture vehicle;
- Pursuant to the terms of the earn-in and joint venture agreement, HPX shall have the ability to earn a 30% interest in the Ivory Coast project by incurring expenditures of \$15,000,000. By incurring additional expenditures of \$15,000,000 (or, as may be the case, \$10,000,000 in certain circumstances discussed as follows) over a maximum of 6 years, including the financing of a bankable feasibility study and the acquisition of an exploitation permit on part of the Ivory Coast project, HPX will be entitled to earn an additional interest in the Ivory Coast project, such that its aggregate interest therein shall be 60%;
- If certain conditions related to the SODEMI/SNC joint venture are not met by an outside date (the earn-in adjustment date), then HPX shall have a period of one month after the earn-in adjustment date to notify the Company in writing as to whether or not it wishes to proceed with the 60% earn-in on the totality of the Ivory Coast project for:
 - (i) A reduced additional expenditure of \$10,000,000 (instead of \$15,000,000) in order to earn its additional 30% interest in all of the Ivory Coast project;
 - (ii) Or an additional expenditure of \$5,000,000 (instead of \$10,000,000) in order to earn its additional 30% interest in the Ivory Coast project excluding the Samapleu project after the Company has transferred the Samapleu project from SNC to the Company or an affiliate.

On April 13, 2018, the Company issued a total of 25,000,000 units at a price of \$0.21 per unit for total proceeds of \$5,250,000 and on June 11, 2019, HPX exercised a total of 7,142,857 warrants at a price of \$0.28 per share for total proceeds of \$2,000,000.

- c) The Company has an operating lease commitment, for office spaces in Vancouver, British Columbia, Canada, which will call for a monthly rent of \$1,250 until November 1, 2019.
- d) The Company has lease commitments for office spaces, a warehouse and a field in Abidjan, Ivory Coast, West Africa, expiring until August 2020 which will call for total rent payments of F CFA 11,305,000 (approximately \$24,916 at September 30, 2019), as F CFA 6,105,000 in 2019 (approximately \$13,455 in 2019) and F CFA 5,200,000 in 2020 (approximately \$11,461 in 2020).

Minimum annual payments relating to the above commitments in each of the next two fiscal years are as follows:

2019	15,955
2020	11,461
	<hr/>
	27,416

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

OUTSTANDING SHARE DATA

	Number of Shares Outstanding (Diluted)
Sama outstanding shares as of November 28, 2019	198,484,267
Shares reserved for issuance pursuant to warrants outstanding	31,604,549
Shares reserved for issuance pursuant to stock options outstanding	15,840,000
	<hr/>
Sama outstanding shares - fully diluted	245,928,816

As at the date of this MD&A, the Company had outstanding warrants enabling holders to acquire common shares as follows:

Number Outstanding	Exercise Price	Expiry Date
17,857,143	0.28	April 13, 2020
4,695,240	0.25	August 26, 2020
901,666	0.25	September 14, 2020
2,731,000	0.15	May 19, 2021
1,494,500	0.15	July 29, 2021
3,925,000	0.15	December 9, 2021
		<hr/>
31,604,549		

As at the date of this MD&A, the Company had outstanding stock options enabling holders to acquire common shares as follows:

Number Outstanding	Exercise Price	Expiry Date
400,000	0.15	June 29, 2021
50,000	0.12	August 31, 2021
1,400,000	0.32	June 6, 2022
200,000	0.155	June 21, 2022
1,000,000	0.33	October 14, 2022
2,150,000	0.19	April 21, 2025
200,000	0.18	May 27, 2025
1,900,000	0.085	January 17, 2027
500,000	0.15	March 31, 2027
100,000	0.195	April 27, 2027
660,000	0.29	November 28, 2027
3,655,000	0.33	June 12, 2028
340,000	0.30	July 29, 2028
60,000	0.30	October 31, 2028
3,225,000	0.27	February 19, 2029
		<hr/>
15,840,000		

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

CONFLICTS OF INTEREST

The Company's directors and officers may serve as directors and/or officers, or may be associated with, other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the Canada Business Corporations Act dealing with conflict of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the Corporations Act. In accordance with the federal laws of Canada, the directors and officers of the Company are required to act honestly, in good faith, and in the best interests of the Company.

CRITICAL ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires management to apply accounting policies and make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. There is full disclosure of the Company's critical accounting policies and accounting estimates in Note 4 of the audited consolidated financial statements for the year ended December 31, 2018.

ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Significant changes in the underlying assumptions could result in significant changes to these estimates. Consequently, management reviews these estimates on a regular basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about these significant judgments, assumptions and estimates that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are disclosed in Note 6 of the audited consolidated financial statements for the year ended December 31, 2018.

RISKS RELATED TO FINANCIAL INSTRUMENTS

Readers are invited to refer to Note 15 of the audited financial statements for the year ended December 31, 2018, for a full description of these risks.

RISKS AND UNCERTAINTIES

The Company is in the business of acquiring and exploring mineral properties. It is exposed to a number of risks and uncertainties that are common to other mineral exploration companies in the same business. The industry is capital intensive at all stages and is subject to variations in commodity prices, market sentiment, exchange rates for currency, inflation and other risks. The Company will rely mainly on equity financing to fund exploration activities on its mineral properties.

The risks and uncertainties described in this section are not inclusive of all the risks and uncertainties to which the Company may be subject.

Early Stage – Need for Additional Funds

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 risks common to other companies in the same business, including under-capitalization, 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 return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Exploration and Evaluation

Mineral exploration and evaluation is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits, but also from finding mineral deposits that, though present, are of insufficient size and/or grade to return a profit from production.

All of the mineral claims to which the Company has a right to acquire an interest are in the exploration stages only and are without a known body of commercial ore. Upon discovery of a mineralized occurrence, several stages of exploration and assessment are required before its economic viability can be determined. Development of the subject mineral properties would follow only if favorable results are determined at each stage of assessment. Few precious and base metal deposits are ultimately developed into producing mines.

Supplies, Health and Infrastructure

The Company's property interests are often located in remote, undeveloped areas and the availability of infrastructures such as surfaces access, skilled labour, healthy labour, fuel and power at an economic cost cannot be assured. These are integral requirements for exploration, production and development facilities on mineral properties. In Guinea, power may need to be generated onsite.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements, transfers, or native claims, and title may be affected by undetected defects.

Environmental Regulations, Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation in most countries provides restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact statements. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. However, there can be no assurance that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis, or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Climate Change

The Company has properties in various regions and jurisdictions where environmental laws are evolving and are not consistent. A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impact of climate change, such as regulation relating to emission levels. If the current regulatory trend continues, this may result in increased costs directly or indirectly affecting the Company. In addition, the physical effect of climate change, such as extreme weather conditions, natural disasters, resource shortages, changing sea levels and changing temperatures, could have an adverse financial impact on operations located in the regions where these conditions occur, directly or indirectly impacting the business of the Company.

SAMA RESOURCES INC.

Management's discussion and analysis for the third quarter ended September 30, 2019

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all its phases and the Company competes with other companies that have greater financial resources and technical capacity. Competition could adversely affect the Company's ability to acquire suitable properties or prospects in the future.

The Company may, in the future, be unable to meet its share of costs incurred under such agreements to which it is a party and it may have its interest in the properties subject to such agreements reduced as a result. Also, if other parties to such agreements do not meet their share of such costs, the Company may not be able to finance the expenditures required to complete recommended programs.

Political and Economic Risks of Doing Business in Ivory Coast

All of the Company's mineral properties are currently located in Ivory Coast which is a politically stable country. The fiscal laws and practices are well established and generally consistent with rules and regulations. However, there is no assurance that future political and economic conditions in this country will not result in its government adopting different policies respecting foreign development and ownership of mineral properties. Any changes in laws, regulations or shifts in political attitudes regarding investment in the Ivory Coast mining industry are beyond its control and may adversely affect its business. The Company's exploration and evaluation activities may be affected in varying degrees by a variety of economic and political risks, including cancellation or renegotiation of contracts, changes in Ivory Coast domestic laws or regulations, changes in tax laws, royalty and tax increases, restrictions on production, price controls, expropriation of property, fluctuations in foreign currency, restrictions on the ability to repatriate earnings and pay dividends offshore, restrictions on the ability to hold foreign currencies in offshore bank accounts, environmental legislation, employment practices and mine safety. In the event of a dispute regarding any of these matters, the Company may be subject to the jurisdiction of courts outside of Canada which could have adverse implications on the outcome.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Information Systems Security Threats

Although the Company has not experienced any material losses to date relating to cyber attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

Operating Hazards and Risks

Mining operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral deposits, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial conditions.