TRUE GRIT RESOURCES LTD.

Management's Discussion & Analysis

FORM 51-102F1

For the Year Ended
March 31, 2020
(the "Period")

Cautionary Notices

The Company's audited financial statements for the Period, and this accompanying Management's Discussion and Analysis ("MD&A") contain statements that constitute "forward-looking statements" within the meaning of National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators. Forward-looking statements often, but not always, are identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "targeting" and "intend" and statements that an event or result "may", "will", "should", "could", or "might" occur or be achieved and other similar expressions. Forward-looking statements in this MD&A include statements regarding the Company's future exploration plans and expenditures, the satisfaction of rights and performance of obligations under agreements to which the Company is a part, the ability of the Company to hire and retain employees and consultants and estimated administrative assessment and other expenses. The forward-looking statements that are contained in this MD&A involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Some of these risks and uncertainties are identified under the heading "Risks Related to the Company's Business" in this MD&A. Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading "Risks Related to the Company's Business" and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause the actual results to differ include market prices, exploration success, continued availability of capital and financing, inability to obtain required regulatory approvals and general market conditions. These statements are based on a number of assumptions, including assumptions regarding general market conditions, the timing and receipt of regulatory approvals, the ability of the Company and other relevant parties to satisfy regulatory requirements, the availability of financing for proposed transactions and programs on reasonable terms and the ability of third-party service providers to deliver services in a timely manner. Forward-looking statements contained herein are made as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Introduction

The management's discussion and analysis ("MD&A" or "Report") of True Grit Resources Corp. (the "Company" or "True Grit") has been prepared by management in accordance with the requirements under National Instrument 51-102 as at August 21, 2020 (the "Report Date"), and provides comparative analysis of the Company's financial results for the Period. The following information should be read in conjunction with the Company's audited consolidated financial statements for the year ended March 31, 2020 and 2019 together with the notes thereto (collectively, the "Financial Statements"). Unless otherwise indicated, all dollar amounts in this document are in Canadian dollars.

The Financial Statements, together with this MD&A, are intended to provide investors with a reasonable basis for assessing the financial performance of the Company as well as potential future performance, and are not necessarily indicative of the results that may be expected in future periods. The information in the MD&A may contain forward-looking statements, and the Company cautions investors that any forward looking statements by the Company are not guarantees of future performance, as they are subject to significant risks and uncertainties that may cause projected results or events to differ materially from actual results or events. Please refer to the risks and cautionary notices of this MD&A. Additional information relating to the Company may be found on SEDAR at *www.sedar.com*.

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

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

Description of Business, Overall Performance, and Projects

The Company is a mineral exploration company engaged in the acquisition, exploration and development of mineral properties in North America, primarily in Arizona, USA. The Company is a reporting issuer in British Columbia and Alberta, and trades on the TSX Venture Exchange under the symbol TGI.H.

At any given time, the Company may have a number of projects at various stages of exploration and partnership or joint venture participation. The discussion below provides summary information in respect of the Company's mineral properties and the activity thereon. Refer to the Company's news releases filed on www.sedar.com, for additional exploration results. The commitments in respect of consideration to be paid or received on acquisition or disposition of the Company's properties, respectively, are detailed in the Company's Financial Statements.

Black Rock Canyon Property

During the year ended March 31, 2020, the Company entered in a mineral option agreement to acquire a 100% interest in the Black Rock Canyon Property.

Under the terms of the option agreement, the Company may earn an initial undivided 75% interest in the property by issuing shares and incurring exploration expenditures at the property as follows:

(a) Share issuances

- i) 4,000,000 common shares upon the execution of the agreement ("Execution Date").
- ii) issuing 8,000,000 common shares on or before the 6-month anniversary of the Execution Date.
- iii) issuing 4,000,000 common shares on or before the 13-month anniversary of the Execution Date.

(b) Exploration expenditures

- (i) incur exploration expenditure of USD $600,000 over a 12 month period.
- (ii) incur exploration expenditure of USD $1,500,000 over a 24 month period.

The Company has the option to acquire the remaining 25% by issuing an additional 15,000,000 common shares on or before the 36-month anniversary of the Execution Date.

The property is subject to a 2.5% net smelter return ("NSR") and can be repurchased by the Company in consideration of USD $2,000,000 cash.

Selected Annual Information

The table provides a brief summary of the Company's annual financial operations. For more detailed information, refer to the audited consolidated financial statements.

	Mar 31, 2020 $	**Mar 31, 2019 $**	**Mar 31, 2018 $**
Net income (loss) and comprehensive income (loss) for the year	(237,772)	(640,376)	52,345
Basic and diluted earnings (loss) per share	(0.01)	(0.02)	0.00
Total assets	75,083	13,229	307,481
Long-term financial liabilities	-	-	-
Cash dividends declared	-	-	-

Summary of Quarterly Results

The following are selected financial data from the Company's eight most recently completed quarters.

	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Financial results				
Net loss	$ (160,632)	$ (32,882)	$ (23,078)	$ (21,180)
Basic and diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Balance sheet data				
Cash	11,609	946	1,504	2,710
Exploration & evaluation assets	-	-	-	-
Total assets	75,083	37,095	17,417	15,225
Current liabilities	994,865	776,245	743,685	718,415
Shareholders' deficiency	(919,782)	(739,150)	(726,268)	(703,190)

	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Financial results				
Net loss	$ (526,597)	$ (45,446)	$ (42,500)	$ (25,833)
Basic and diluted loss per share	(0.02)	(0.00)	(0.00)	(0.00)
Balance sheet data				
Cash	793	1,135	21,217	1,212
Exploration & evaluation assets	-	510,212	509,193	294,698
Total assets	13,229	524,146	541,868	305,678
Current liabilities	695,239	679,559	651,835	508,144
Shareholders' deficiency	(682,010)	(155,413)	(109,967)	(202,466)

During the quarter ended March 31, 2019, the significant net loss of $526,597 is due to write-off of multiple mineral properties.

Fourth Quarter

The Company did not have any significant events or transactions in the quarter of March 31, 2020 to report.

Results of Operations

The Company has no revenue from its mineral interests, and losses are mainly costs associated with management of the Company. Losses are reduced from time to time by any gain on disposition of a property, which could include marketable securities received as payment.

For the year ended March 31, 2020

The Company incurred comprehensive loss of $237,772 for the year ended March 31, 2020, compared with comprehensive loss of $640,376 for the period ended March 31, 2019.

A brief explanation of the significant changes in expenses by category is provided below:

- Consulting of $68,168 (2019 - $9,986) due to increase in business activities during the current year.
- Legal expense decreased to $318 (2019 - $11,559) due to additional legal services received during the comparative period.
- Management fees of $120,000 (2019 - $30,000) due to increase in the Executive Chief Officer's fees during the current year.

Liquidity and Financial Condition

The Financial Statements are prepared on a 'going concern' basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. The Company's ability to continue as a going concern is dependent on its ability to raise additional funds or the attainment of profitable operations. The Company will need to raise or borrow money for exploration and administration expenditures, and to settle current liabilities, and to ensure it maintains sufficient funds to keep its claims and property agreements in good standing. Current sources of funding are undetermined, and management continues to review potential financing options. Although the Company has been successful at raising funds in the past through the issuance of share capital and entering into loan agreements, there is no guarantee it will be successful or able to continue to do so in the future.

		March 31, 2020		March 31, 2019
Working capital deficit	$	(919,782)	$	(682,010)
Accounts payable and accrued liabilities		257,421		202,417
Loan payable		455,000		456,779
Interest payable on loans		52,444		36,043

Capital Resources

The Company's primary capital assets are mineral property interests. The Company capitalizes all costs related to the mineral properties. The Board of Directors is responsible for a quarterly review of the properties and any decisions toward impairment. If the property is considered impaired, accumulated costs are expensed at that time.

Off Balance Sheet Transactions

The Company has no off-balance sheet arrangements.

Transactions with Related Parties

The Company's key management personnel consist of directors, executive officers, and companies controlled or influenced by them. The Company incurred certain fees and expenses in the normal course of operations in connection with companies owned by such parties for the year ended March 31, 2020 and 2019.

The Company conducts certain of its administration and exploration activities through an arrangement with an administration and exploration services contractor ("AESC") in which a director is a shareholder. For the year ended March 31, 2020 and 2019, the Company was charged for exploration costs and to reimburse office and administrative costs as follows:

		March 31, 2020		March 31, 2019
Management fees	$	120,000	$	30,000
Accounting and audit		36,400		24,000
Geo-consulting		-		22,235
	$	156,400	$	76,235

During the year ended March 31, 2020, the Company incurred or paid $120,000 (2019 - $30,000) in respect of the services of the CEO.

During the year ended March 31, 2020, the Company incurred or paid $36,400 (2019 - $24,000) in respect of the accounting services from a director of the Company.

Amounts due to related parties in accounts payable and accrued liabilities as at March 31, 2020 totaled $154,305 (March 31, 2019 - $85,538).

Proposed Transactions

The Company does not have any proposed transactions that have been approved by the board of directors.

Risks Related to the Company's Business

Overview

Resource exploration is a speculative business and involves a high degree of risk. There is a significant probability that the expenditures made by the Company in the exploring of its properties will not result in discoveries of commercial quantities of minerals. A high level of ongoing expenditures is required to locate and estimate ore reserves, which are the basis for further development of a property. Capital expenditures to attain commercial production stage are also very substantial. The Company has a history of incurring losses and deficits, and is subject to a number of risks and uncertainties due to the nature of its business and present stage of explorations, such as, but not limited to, exploration, market, commodity prices, Aboriginal land claims, title, financing, share price volatility, key personnel, competition, foreign countries and regulatory requirements, environmental and regulatory requirements, and uninsurable risks.

The following sets out the principal risks faced by the Company:

Exploration. The Company is seeking mineral deposits on exploration projects where there are not yet established commercial quantities. There can be no assurance that economic concentrations of minerals will be determined to exist on the Company's property holdings within existing investors' investment horizons or at all. The failure to establish such economic concentrations could have a material adverse outcome on the Company and its securities. The Company's planned programs and budgets for exploration work are subject to revision at any time to take into account results to date. The revision, reduction or curtailment of exploration programs and budgets could have a material adverse outcome on the Company and its securities.

Market. The Company's securities trade on public markets and the trading value thereof is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change; both in short term time horizons and longer term time horizons. An adverse change in investor evaluations, perceptions and sentiments could have a material adverse outcome on the Company and its securities.

Commodity price**.** The Company's exploration projects are primarily related to exploration for gold and other precious metals in the United States. While these minerals have recently been the subject of significant price increases from levels prevalent earlier in the decade, there can be no assurance that such price levels will continue, or that investors' evaluations, perceptions, beliefs and sentiments will continue to favour these target commodities. An adverse change in these commodities' prices, or in investors' beliefs about trends in those prices, could have a material adverse outcome on the Company and its securities.

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

Financing. Exploration and development of mineral deposits is an expensive process, and frequently the greater the level of interim stage success the more expensive it can become. The Company has no producing properties and generates no operating revenues; therefore, for the foreseeable future, it will be dependent upon selling equity in the capital markets to provide financing for its continuing substantial exploration budgets. While the Company has been successful in obtaining financing from the capital markets for its projects in recent years, there can be no assurance that the capital markets will remain favourable in the future, and/or that the Company will be able to raise the financing needed to continue its exploration programs on favourable terms, or at all. Restrictions on the Company's ability to finance could have a material adverse outcome on the Company and its securities.

Share Price Volatility and Price Fluctuations. In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies, particularly junior mineral exploration companies like the Company, have experienced wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that these price fluctuations and volatility will not continue to occur.

Key personnel. The Company's exploration efforts are dependent to a large degree on the skills and experience of certain of its key personnel. The Company does not maintain "key man" insurance policies on these individuals. Should the availability of these persons' skills and experience be in any way reduced or curtailed, this could have a material adverse outcome on the Company and its securities.

Competition. Significant and increasing competition exists for the limited number of mineral property acquisition opportunities available. As a result of this competition, some of which is with large established mining companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire additional attractive mineral properties on terms it considers acceptable.

Environmental and Other Regulatory Requirements. The current or future operations of the Company, including development activities and commencement of production on its properties, require permits from various governmental authorities and such operations are and will be subject to laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required to commence production on its properties will be obtained on a timely basis, or at all. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, may be necessary prior to operation of the properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or extraction operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or abandonment or delays in development of new mineral exploration properties. To the best of the Company's knowledge, it is currently operating in compliance with all applicable environmental regulations.

History of Net Losses; Accumulated Deficit; Lack of Revenue from Operations. The Company has incurred net losses to date. The Company has not yet had any revenue from the exploration activities on its properties, nor has the Company yet determined that commercial development is warranted on any of its properties. Even if the Company commences development of certain of its properties, the Company may continue to incur losses. There is no certainty that the Company will produce revenue, operate profitably or provide a return on investment in the future.

Uninsurable. The Company and its subsidiaries may become subject to liability for pollution, fire, explosion and other risks against which it cannot insure or against which it may elect not to insure. Such events could result in substantial damage to property and personal injury. The payment of any such liabilities may have a material, adverse effect on the Company's financial position.

Critical Accounting Estimates. In the preparation of financial information, management makes judgments, estimates and assumptions that affect, amongst other things, the carrying value of its mineral property assets. All deferred mineral property expenditures are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. When the carrying value of a property exceeds its net recoverable amount that may be estimated by quantifiable evidence of an economic geological resource or reserve, joint venture expenditure commitments or the Company's assessment of its ability to sell the property for an amount exceeding the deferred costs, a provision is made for the impairment in value. Management's estimates of exploration, operating, capital and reclamation costs, if any, are subject to certain risks and uncertainties which may affect the recoverability of mineral property costs. Although management has made its best estimate of these factors, it is possible that changes could occur in the near term that could adversely affect management's estimate of the net cash flow to be generated from its properties. The Company also uses the Black-Scholes Option Pricing Model in relation to share based payments. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options granted/vested during the period.

Other MD&A Disclosure Requirements

Information available on SEDAR

As specified by National Instrument 51-102, the Company advises readers of this MD&A that important additional information about the Company is available on the SEDAR website http://www.sedar.com.

New Accounting Policies

Standards, Amendments and Interpretations Affecting the Current and Future Year-Ends

Please refer to the consolidated financial statements www.sedar.com.

Financial Instruments & Other Instruments

The Company has classified its cash as FVTPL (using level 1 of the fair value hierarchy); receivables (excluding tax arrangements) at amortized cost; and accounts payable and accrued liabilities, due to related parties and loans and interest on loans payable at amortized cost.

The carrying values of cash, receivables, accounts payable and accrued liabilities, loans payable and loan interest payable approximate their fair values due to the short-term maturity of these financial instruments.

The Company's financial instruments as at March 31, 2020 and 2019 follow:

		March 31, 2020		**March 31, 2019**
Financial assets				
Cash	$	11,609	$	793
Receivables		23,474		12,436
Prepaid		40,000		-
	$	**75,083**	**$**	**13,229**
Financial liabilities				
Accounts payable and accrued liabilities	$	257,421	$	202,417
Loans payable		455,000		456,779
Interest payable on loans		52,444		36,043
Subscriptions received in advance		230,000		-
	$	**994,865**	**$**	**695,239**

5. FINANCIAL RISK MANAGEMENT

(a) Credit risk

Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash and receivables, other than Goods and Services Tax ("GST"). The maximum exposure to loss arising from receivables is equal to their carrying amounts.

The Company manages credit risk with respect to its cash by maintaining demand deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company is exposed to liquidity risk as it relates to its accounts payable and accrued liabilities, and loan payable.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as its monetary assets and liabilities are predominantly in Canadian dollars. Any fluctuation would have a negligible impact on profit and loss.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.

There were no changes in the Company's approach to managing the above risks.

Disclosure by venture issuer without significant revenue

An analysis of the material components of the Company's general and administrative expenses is disclosed in the financial statements to which this MD&A relates. An analysis of the material components of the acquisition and deferred exploration costs of the Company's exploration and evaluation assets is disclosed in the Notes to the financial statements.

Outstanding Share Data

Common shares, stock options and share purchase warrants issued and outstanding as at the year end are described in detail in the Financial Statements, and as at the Report Date, are as follows:

At Report Date	
Common shares	33,710,492
Fully diluted	**33,710,492**