

KINGSMEN RESOURCES LTD.

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

This discussion and analysis of financial position and results of operation is prepared as at November 12, 2020 and should be read in conjunction with the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2020 of Kingsmen Resources Ltd. (the "Company"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements". Forward-looking statements include but are not limited to, statements regarding future anticipated exploration programs and the timing thereof, and business and financing plans. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, the Company's ability to identify one or more economic deposits on its properties, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies.

Historical results of operations and trends that may be inferred from this MD&A may not necessarily indicate future results from operations. In particular, the current state of the global securities markets may cause significant reductions in the price of the Company's securities and render it difficult or impossible for the Company to raise the funds necessary to continue operations.

All of the Company's public disclosure filings, including its most recent management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

COVID-19

On March 11, 2020 the World Health Organization ("WHO") declared the outbreak of a novel coronavirus, identified as "COVID-19", as a global pandemic. In order to combat the spread of COVID-19 governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. The Company will continue to monitor the impact of the COVID-19 outbreak, the duration and impact which is unknown at this time, as is the efficacy of any intervention. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Company Overview

The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") under the symbol "KNG" and on the OTCQB under the symbol "TUMIF". The Company is a junior mineral exploration company primarily engaged in the acquisition and exploration of precious metals on mineral properties. The Company's principal office is located at #1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

As of the date of this MD&A, the Company has not earned any production revenue, nor found any proven reserves on any of its properties. On April 21, 2020 the Company completed the sale of an initial 49% ownership interest (the "Initial Interest") in TMXI to GoGold Resources Inc. ("GoGold"), an arm's length purchaser, for \$316,305

(US \$225,000). GoGold also has the option (the “Option”) to acquire the Company’s remaining 51% in TMXI by paying the Company US \$210,000 on or before February 18, 2022, subject to acceleration provisions (the “Option Period”). If GoGold does not exercise the Option within the Option Period then the Company may re-purchase GoGold’s Initial Interest for \$1. Upon the exercise of the Option the Company will retain a 1% NSR on the La Trini Property, which may then be purchased by the Buyer for US \$1,000,000.

TMXI’s sole asset is the La Trini Project. GoGold has agreed to directly fund all expenditures incurred on the La Trini Project and all future costs incurred in TMXI for the duration of the Option Period.

The Company is continuing its reviews and due diligence on prospective acquisition and business opportunities.

Exploration Project

La Trini, Mexico

TMXI holds a 100% interest in five mineral claims (the “La Trini Project”) located in the Hostotipaquillo mining district approximately 100 kilometres northwest of Guadalajara, Jalisco State, Mexico. The La Trini Project covers 880 acres and the mineralization occurs over an area of 400m x 200m.

GoGold plans to develop the mineral resource of the La Trini Project by drilling a series of short holes from surface. A work program was started in early March 2020 and consisted of a geological team carrying out mapping, prospecting and rock sampling programs across the La Trini Project to follow the extensions of the La Trini deposit along strike to the east and west of the historical drilling. The work program was suspended on April 2, 2020, in line with Mexican federal government COVID-19 mandates and restrictions. As the government decreed that mining has been deemed an essential service, GoGold resumed exploration and drilling at the La Trini Project in May 2020. Safety policies and procedures related to COVID-19 will remain in place including increased sanitization, education, symptom monitoring, usage of face masks, and physical distancing.

On August 5, 2020 GoGold announced assay results from the first three holes drilled on the La Trini Project (referred to as “Los Ricos North” by GoGold) and on August 20, 2020 they announced assay results from a further six holes. On September 30, 2020, October 14, 2020, and November 4, 2020, GoGold announced assay results from an additional 34 holes drilled on the La Trini Project. GoGold has now drilled a total of 43 holes on the La Trini Project with encouraging results. See www.gogoldresources.com. GoGold views the “Los Ricos North” (of which La Trini is part of) as a large mineralized system. As of the date of this MD&A, GoGold continues to drill with two drills operating at the La Trini target and four additional drill rigs operating on the Los Ricos North site.

Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company prepared in accordance with IFRS.

Three Months Ended	Fiscal 2020			Fiscal 2019				Fiscal 2018
	Sep. 30 2020 \$	Jun. 30 2020 \$	Mar. 31 2020 \$	Dec. 31 2019 \$	Sep. 30 2019 \$	Jun. 30 2019 \$	Mar. 31 2019 \$	Dec. 31 2018 \$
Operations:								
Revenues	Nil							
Expenses	(47,735)	(64,084)	(68,057)	(132,131)	(66,197)	(63,713)	(80,893)	(72,546)
Other items	(467)	314,844	7,758	(15)	1,833	2,576	2,204	3,243
Net income (loss) and comprehensive income (loss)	(48,202)	250,760	(60,299)	(132,146)	(64,364)	(61,137)	(78,689)	(69,303)
Basic and diluted income (loss) per share	(0.00)	0.01	(0.00)	(0.02)	(0.00)	(0.00)	(0.00)	(0.02)
Dividends per share	Nil							
Statement of Financial Position:								
Working capital	857,958	906,160	655,400	715,669	759,884	424,680	485,817	564,506
Total assets	870,248	919,282	668,381	724,622	791,154	444,849	518,503	586,721
Total long-term liabilities	Nil							

Results of Operations

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

During the three months ended September 30, 2020 (“Q3”) the Company reported a net loss of \$48,202 compared to a net income of \$250,760 for the three months ended June 30, 2020 (“Q2”) a decrease in income of \$298,962. The decrease was primarily due to the Company receiving \$316,305 (US \$225,000) and recognizing the proceeds as a gain on the disposition of a 49% indirect interest in the La Trini Project during Q2.

Nine Months Ended September 30, 2020 Compared to the Nine Months Ended September 30, 2019

During the nine months ended September 30, 2020 (the “2020 period”) the Company reported a net income of \$142,259 compared to a net loss of \$204,910 for the nine months ended September 30, 2019 (the “2019 period”), a an increase in income of \$347,169 mainly due to the Company recognizing the \$316,305 (US \$225,000) proceeds as a gain on the disposition of a 49% indirect interest in the La Trini Project during the 2020 period. In addition, expenses decreased by \$30,927, from \$210,803 in the 2019 period to \$179,876 in the 2020 period. Specific fluctuations in expenses are as follows:

- (i) regulatory fees decreased by \$5,236, from \$24,094 during the 2019 period to \$18,858 during the 2020 period. The decrease is due to the application fees paid to list on the OTCQB in the 2019 period;
- (ii) \$13,400 (2019 - \$19,586) was incurred for accounting and administrative services provided by Chase Management Ltd. (“Chase”) a private corporation owned by Mr. DeMare, the CFO of the Company. In addition, during the 2019 period \$3,086 was paid for accounting services provided by an arms-length accountant for the Company’s Mexican operations. During the 2020 period all administrative expenditures in Mexico are being funded by GoGold;
- (iii) office expenses decreased by \$6,876 from \$14,194 during the 2019 period to \$7,318 during the 2020 period. The Company has minimal office costs as the Company no longer maintains a dedicated office space;
- (iv) during the 2019 period the Company incurred \$2,161 for management to attend a conference. No conferences were attended in the 2020 period;
- (v) during the 2020 period the Company incurred \$13,706 (2019 - \$2,908) for legal expenses on the disposition of the LaTrini Project; and
- (vi) during the 2020 period the Company incurred \$6,734 for travel and related expenses compared to \$19,921 during the 2019 period, a decrease of \$13,187. During the 2019 period the Company’s President incurred travel costs to review business opportunities for the Company and conduct due diligence.

Financings

No financings were conducted during the 2020 period.

During the 2019 period the Company completed the first tranche of a non-brokered private placement and issued 6,345,384 units for gross proceeds of \$412,450.

Financial Condition / Capital Resources

As at September 30, 2020 the Company had working capital in the amount of \$857,958. The increase in working capital was due to the receipt of \$316,305 (US \$225,000) cash on April 21, 2020 on the disposition of a 49% interest in TMXI. See “Company Overview”. Management believes that the Company has adequate resources to maintain its current levels of overhead and ongoing corporate expenses for the next 12 months and continue ongoing due diligence on potential business acquisitions. The Company continues to conduct reviews and due diligence on prospective acquisitions and business opportunities. Completion of any acquisition may require the Company to obtain additional financing. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future. See also “COVID-19”.

Contractual Commitments

The Company has no contractual commitments.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of the Company's critical accounting estimates and sources of estimation is included in Note 3 to the December 31, 2019 audited annual consolidated financial statements.

Changes in Accounting Principles

There were no changes in accounting policies.

A detailed summary of the Company's significant accounting policies is included in Note 3 to the December 31, 2019 audited annual consolidated financial statements.

Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of the CEO and CFO of the Company.

(a) *Key Management Personnel Disclosures*

During the 2020 and 2019 periods the following amounts were incurred with respect to Mr. Scott Emerson, the CEO and Mr. Nick DeMare, the CFO of the Company:

	2020 \$	2019 \$
Management fees - Mr. Emerson	72,000	72,000
Professional fees - Mr. DeMare	4,500	4,500
	<u>76,500</u>	<u>76,500</u>

As at September 30, 2020, \$8,000 (December 31, 2019 - \$nil) remained unpaid.

(b) *Other Related Party Disclosures*

(i) During the 2020 and 2019 periods the following amounts were incurred with respect to non-management directors of the Company (Messrs. David Henstridge and Rod Johnston) and the corporate secretary (Mr. Harvey Lim) as follows:

	2020 \$	2019 \$
Professional fees - Mr. Henstridge	4,500	4,500
Professional fees - Mr. Lim	4,500	4,500
Professional fees - Mr. Johnston	4,500	4,500
	<u>13,500</u>	<u>13,500</u>

As at September 30, 2020 \$nil (December 31, 2019 - \$6,000) remained unpaid.

- (ii) During the 2020 period the Company incurred a total of \$13,400 (2019 - \$16,500) to Chase, a private corporation owned by Mr. DeMare, for accounting and administration services provided by Chase personnel, excluding Mr. DeMare. As at September 30, 2020 \$2,500 (December 31, 2019 - \$500) remained unpaid.
- (iii) During fiscal 2019 the Company completed a non-brokered private placement and issued a total of 7,774,114 units at \$0.065 per unit for \$505,317. Mr. Emerson and a family member, purchased a total of 1,415,384 units for \$92,000.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at November 12, 2020, there were 24,668,490 common shares issued and outstanding and 7,774,114 warrants outstanding at an exercise price of \$0.085 per share.