



Management Discussion and Analysis For the three months ended August 31, 2020

This Management Discussion and Analysis (“MD&A”) of Granite Creek Copper Ltd. (formerly Granite Creek Gold Ltd.) (the “Company” or “Granite Creek”) is for the three months ended August 31, 2020 and covers information up to the date of this MD&A. This MD&A is dated October 30, 2020.

This MD&A should be read in conjunction with the Company’s condensed consolidated interim financial statements and the notes thereto for the three months ended August 31, 2020 and the audited consolidated financial statements for the ten months ended May 31, 2020 which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise.

On June 11, 2020, the Company’s Board of Directors approved a resolution to change the Company’s year end from July 31 to May 31. Accordingly, these financial statements are prepared as at August 31, 2020 and May 31, 2020 and for the three months ended August 31, 2020 and July 31, 2019.

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.

NATURE OF BUSINESS

Granite Creek is a growth stage exploration company, focused on the acquisition and development of exploration properties that host copper, gold and silver. Granite Creek was originally incorporated on May 10, 2007 under the British Columbia Business Corporations Act. The Company’s key asset is the Stu copper-gold-silver project (the “Stu Property”) in the high-grade Minto copper district in Yukon Territory, Canada. The project is located south of Pembridge Resources’ Minto mine and adjacent to Copper North Mining Corp.’s (“Copper North”) Carmacks project. The Company is a reporting issuer and trades on the TSX Venture Exchange (“TSX-V”) in Canada under the symbol “GCX” and the Frankfurt Stock Exchange under the symbol “A2PFE0”.

The Company’s principal business is the acquisition, exploration and development of mineral properties with the goal of establishing a mineable mineral resource. To date the Company has not generated any significant revenues.

Granite Creek is a member of the Metallic Group of Companies, a collaboration of three precious and/or base metals exploration companies, with a portfolio of large, brownfield assets in established mining districts adjacent to some of the industry’s highest-grade producers of silver, platinum group metals and copper. The Metallic Group includes highly successful explorationists, formerly with leading explorer/developers including NovaGold Resources Inc., Trilogy Metals Inc., Wellgreen Platinum Ltd. (now Nickel Creek Platinum Corp.) and others, as well as larger producers including Placer Dome Inc. (now Barrick Gold Corporation), Goldfields Limited, and Stillwater Mining Company (now Sibanye-Stillwater).

Member companies include Metallic Minerals Corp. (TSX-V: MMG) in the high-grade Keno Hill silver district and La Plata silver and gold district, Group Ten Metals Inc. (TSX-V: PGE) in the Stillwater PGM-Ni-Cu district of Montana, and Granite Creek. Each of the Metallic Group companies has a dedicated, highly experienced management team and board of directors with a track record of exploration and project development success. The companies share back-office and corporate support for cost efficiency.

HIGHLIGHTS AND KEY DEVELOPMENTS

- In October 2020, the Company announced that a diamond core drill rig and crew have mobilized to site for the Company's inaugural drill program. The planned drill program will consist of up to 1,500 meters on the Stu Copper-Gold project with a focus on expanding upon drilling completed on the high-grade A Zone in 1980. The Company is very pleased to have retained the expert services of Kluane Drilling Limited ("KDL"), one of Yukon's premier international drilling companies, to conduct its first program.
- In October 2020, the Company closed (in two tranches) a private placement offering through the issuance of 6,278,587 flow-through units, 2,289,382 non-flow-through units and 2,050,833 flow-through shares, for aggregate gross proceeds of \$1,988,221.
- In September 2020, the Company's directors adopted a shareholder rights plan. Pursuant to the plan, one right will be issued and attached to each common share of Granite Creek outstanding at such time. The rights will automatically attach to the common shares and no further action will be required by shareholders. A right will also automatically attach to each common share of Granite Creek issued hereafter. Subject to the terms of the Rights Plan and to certain exceptions provided therein, the rights will become exercisable in the event that any person, together with joint actors, acquires or announces its intention to acquire 20% or more of Granite Creek's outstanding common shares without complying with the "Permitted Bid" provisions of the Rights Plan or in circumstances where the application of the Rights Plan is waived in accordance with its terms.
- In August 2020, the Company entered into a definitive arrangement agreement pursuant to which the Company will acquire all of the outstanding common shares of Copper North not already owned by the Company. Upon completion of the Arrangement, the Company will control a large regional land package, including the advanced stage Carmacks Copper Project and the highly prospective Stu Copper-Gold Project, in Canada's Yukon Territory. Copper North shareholders will receive 1 common share of the Company for every 2.5 Copper North Shares. All outstanding warrants and options of Copper North will be exchanged (or deemed to be exchanged) for warrants and options, respectively, of Granite Creek at the Exchange Ratio, with appropriate adjustments to the exercise price, but shall not otherwise be amended, including with respect to vesting and expiry. From and after closing of the Arrangement, the Copper North options will be governed by, and deemed to be outstanding under, the Company's existing long-term performance incentive plan. The Arrangement is subject to TSX Venture approval and the approval of Copper North shareholders. A special meeting date of Nov 13th has been set for Copper North and should a favorable vote be received the company expects to close the transaction shortly thereafter.
- In August 2020, the Company provided an update with respect to progress and early findings from its 2020 exploration campaign at the 100%-owned Stu Copper-Gold project in the Minto Copper District of Canada's Yukon Territory. The phase one 2020 exploration program, launched in mid-July, included re-logging and re-sampling of historic core, multielement soil sampling to determine the precious metal response in soils, and the refinement of target sites for future follow-up diamond drilling campaigns
- In June 2020, the Company received a ten-year Class 4 exploration permit for physical work on its Stu Copper-Gold covering approximately 68 square kilometres, including the priority A and B zones, allowing for up to 100,000 meters of diamond drilling and 60,000 meters of RC drilling, in addition to trenching, road construction and upgrading.

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- In June 2020, the Company closed a private placement which consisted of a total of 14,200,000 units at a price of \$0.05 per unit for gross proceeds of \$710,000. Each unit was comprised of one common share of the Company and one-half of one share purchase warrant with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.075 for a period of 36 months.

MINERAL PROPERTY

In January 2019, the Company acquired an undivided 100% interest in the Stu Property in consideration for an aggregate of 3,000,000 units (each, a "Transaction Unit") at \$0.075 per Transaction Unit valued at \$225,000 and a 3% net smelter return royalty to the vendors on any future production on the Stu Property (the "Royalty"). Granite Creek has the option to purchase up to two-thirds of the Royalty from the vendors. The Company will also make annual advance Royalty payments of \$30,000 to the vendors beginning in May 2022, and in each subsequent year thereafter until the commencement of any commercial production on the Stu Property.

Each Transaction Unit was comprised of one common share and one share purchase warrant, with each warrant exercisable into one additional common share at an exercise price of \$0.15, with an expiry of January 16, 2022.

STU COPPER PROPERTY

The Stu Property is located in an area of well-known mineralization in Canada's Yukon Territory, approximately 47 kilometers ("km") northeast of Carmacks, Yukon Territory, and approximately 210 km northwest of Whitehorse, the capital city of the Yukon Territory. The Stu Property, which consists of 541 contiguous claims covering approximately 11,100 hectares (111 square km), is on trend with the Minto copper mine approximately 35 km north of the Stu Property, and is directly adjacent to Copper North's Carmacks Project to the south.

2020 WORK PROGRAM AND EXPLORATION PLANS

In the spring of 2020 the company was able to acquire the data from a magnetic and radiometric airborne survey that had been flown over the property in 2008. The survey covering over 80% of the property had never been fully integrated into the regional dataset for magnetics and provided valuable insight into the magnetic contrasts of known and target mineralised zones.

In July of 2020 the Company launched a re-logging and re-sampling program on core that was drilled in 1980 by previous operators on the property's A Zone. The goal of the program is to provide a full multi-element assay of the historic core and for company geologists to get a better understanding of alteration, and various styles of mineralization in order to assist in modeling of the zone as well as targeting for future infill drilling programs. In addition to the core re-sampling limited soil sampling was conducted over known mineralisation to determine the precious metal and indicator mineral response.

In October of 2020 the company launched its inaugural drilling and trenching program on the property targeting high-grade mineralization identified by drilling completed by previous operators in 1980. Results of this drilling campaign along with the re-sampling program will be used to design a resource delineation drill program to be completed during the 2019 field season with a goal of producing a National Instrument 43-101 compliant resource estimate.



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FINANCIAL CONDITION

The net assets of the Company increased from \$742,919 at May 31, 2020 to \$872,419 at August 31, 2020, an increase of \$129,500.

The most significant assets at August 31, 2020 was investment in associate of \$476,464 (May 31, 2020: \$506,571), cash of \$106,777 (May 31, 2020: \$164,865), due from related parties of \$61,026 (May 31, 2020: \$113,258) and exploration and evaluation assets of \$237,557 (May 31, 2020: \$237,557).

In December 2019, the Company acquired 26,146,233 common shares of Copper North in consideration for 10,529,663 common shares of the Company. The investment in Copper North is treated as an investment in associate as the Company exercises significant influence but does not control or jointly control Copper North. Investment in associates are accounted for using the equity method. During the three months ended August 31, 2020, the Company recorded \$30,107 as its share of Copper North's loss, bringing the total value of its investment in associate to \$476,464.

The entire due from related parties of \$61,026 at August 31, 2020 consisted of net advances made to TruePoint Exploration Inc. ("TruePoint"). TruePoint is a privately held geological consulting firm that provides exploration and administrative services to the Company and several other exploration companies in the industry. TruePoint is a related party as a result of the President and CEO of the Company and another director of the Company being minority shareholders in TruePoint. Charges from TruePoint are for exploration, management and office administration expenses. The amount of \$61,026 from TruePoint consisted of advances made by the Company to TruePoint, partially offset by invoiced costs from TruePoint. The balance of \$61,026 is expected to decrease over time as TruePoint continues to invoice Granite Creek.

The exploration and evaluation assets of \$237,557 at August 31, 2020 consisted of the acquisition cost of the Stu Property, as noted in '*Mineral Property*' above, licensing costs and filing fees.

The liabilities at August 31, 2020 were accounts payable and accrued liabilities of \$44,267 (May 31, 2020: \$234,442), due to related parties of \$53,127 (May 31, 2020: \$116,038) and flow-through share premium liability of \$nil (May 31, 2020: \$6,608).

The flow-through share premium was a result of the Company completing a private placement of \$500,000 during the ten months ended May 31, 2020. On issuance of FT units, the Company allocates the proceeds into i) share capital, ii) warrants, and iii) flow-through share premium, if any, using the residual value method. If investors pay a premium for the FT feature, it is recognized as a liability. Upon incurring qualifying expenditures, the Company reduces the liability and recognizes a deferred tax recovery in income for the amount of tax reduction renounced to the shareholders. At the end of a period, the flow-through share premium liability consists of the portion of the premium on FT shares that corresponds to the portion of qualifying exploration expenditures that have not yet been incurred.

The original flow-through share premium liability was calculated to be \$14,390. During the three months ended August 31, 2020, the Company incurred \$258,574 of FT expenditures, reducing the flow-through share premium liability from \$6,608 at May 31, 2020 to \$nil at August 31, 2020.

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RESULTS OF OPERATIONS

The net loss for the three months ended August 31, 2020 was \$446,387 (Three months ended July 31, 2019: \$416,544). The increase in net loss was a result of the Company becoming more active pursuant to the completion of a private placement, commencing an investor outreach campaign and conducting more exploration activities on the Stu Property.

The majority of expenses for the three months ended August 31, 2020 consisted of exploration expenditures of \$257,305 (three months ended July 31, 2019: \$57,814), share-based payments expense of \$48,830 (three months ended July 31, 2019: \$107,859) and consulting and management fees of \$44,116 (three months ended July 31, 2019: \$140,678).

Exploration expenditures of \$257,305 consisted exclusively of work performed on the Stu Property including \$159,819 in consulting, \$25,920 in helicopter and fuel and \$38,735 in camp costs.

The share-based payments expense of \$48,830 was a result of the Company granting 3,150,000 stock options in June 2020 as well as vesting of 2,900,000 stock options granted in February 2019 and 750,000 stock options in May 2019. The Company applies the fair value method of accounting for all awards of stock options by using the Black-Scholes Option Pricing Model. Variations in share-based payments expense is based on a number of factors including, but not limited to, the size and occurrence of grants during a particular period, the Company's share price at the time of an option grant and the timing of recording share-based payments expense based on vesting schedules.

CASH FLOWS

During the three months ended August 31, 2020, cash decreased by \$58,088, from \$164,865 at May 31, 2020 to \$106,777 at August 31, 2020. The decrease was a result of cash of \$574,446 used in operating activities and cash of \$nil used in investing activities, partially offset by cash of \$516,378 provided by financing activities.

The cash of \$585,145 used in operating activities consisted of the net loss of \$446,387, partially offset by non-cash items of \$374,058 and a net change of \$211,087 in non-cash working capital items.

The cash of \$516,378 provided by financing activities consisted of the receipt of proceeds of \$ 559,986 from the June 2020 private placement, less share issue costs of \$32,929, as well as net payments of \$10,679 from related parties.

Subsequent to August 31, 2020 the Company closed a private placement by issuing a total of 6,278,587 flow-through units, 2,289,382 non-flow-through units and 2,050,833 flow-through shares for aggregate gross proceeds of \$1,988,221.



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SUMMARY OF QUARTERLY RESULTS

Selected quarterly information for each of the eight most recently completed financial periods is set out below.

	<u>Q1, 2021</u>	<u>Q4, 2020</u>	<u>Q2, 2020</u>	<u>Q1, 2020</u>
Net loss for the period	(446,387)	(322,775)	(344,556)	(498,946)
Basic and diluted loss per share	(0.01)	(0.01)	(0.01)	(0.01)
	<u>Q4, 2019</u>	<u>Q3, 2019</u>	<u>Q2, 2019</u>	<u>Q1, 2019</u>
Net loss for the period	(416,544)	(183,731)	(387,986)	(96,265)
Basic and diluted loss per share	(0.01)	(0.01)	(0.05)	(0.03)

As a result of the acquisition of the Stu Property, the completion of the private placement and the commencement of an investor outreach campaign, the Company has become more active in fiscal 2019 and fiscal 2020.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2020, the Company had current assets totaling \$255,792 comprised of cash, receivables, due from related parties, prepaid expenses and deposits. At August 31, 2020, the Company had working capital of \$158,398 (May 31, 2020: working capital deficiency of \$1,209).

In June 2020, the Company closed a private placement which consisted of a total of 14,200,000 units at a price of \$0.05 per unit for gross proceeds of \$710,000 (of which \$150,014 was received prior to May 31, 2020)

Subsequent to August 31, 2020 the Company closed a private placement by issuing a total of 6,278,587 flow-through units, 2,289,382 non-flow-through units and 2,050,833 flow-through shares for aggregate gross proceeds of \$1,988,221.

The Company has no long-term debt and no lease obligations.

As the Company has no revenues, its ability to fund operations is dependent upon its ability to secure financing through the sale of equity or assets, or to obtain loans. While the Company has been successful in obtaining the necessary financing through the issuance of common shares and loans from related parties in the past, there is no assurance it will be able to raise funds in this manner in the future and there remain material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern. The Company's trade and other payables are due in the short term.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

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RELATED PARTY TRANSACTIONS

Key management personnel are the Directors and Officers of the Company. Key management personnel, or their related parties, may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The amounts paid by the Company for the services provided by related parties have been determined by negotiation among the parties. These transactions are in the normal course of operations and are measured at their exchange amount.

In addition to key management personnel, the Company transacted with the following related parties during the three months ended August 31, 2020 and the ten months ended May 31, 2020:

- TruePoint Exploration Inc. (“TruePoint”) is a privately held exploration service company that provides exploration and administrative services to the Company and several other exploration companies in the industry. Timothy Johnson, President and CEO of the Company, and another director of the Company, are minority shareholders of TruePoint, which makes it a related party. Charges from TruePoint are for exploration, management and office administration expenses.
- 1111040 BC Ltd., a private company controlled by the President and CEO of the Company.
- MVR Consulting Inc. (“MVR Consulting”), a private company controlled by Michael Rowley, Director.

a) Related Party Transactions

Related party transactions for the periods were as follows:

	Three months August 31, 2020	Three months July 31, 2019
	\$	\$
Consulting and management fees ⁽¹⁾	28,672	103,363
Share-based payments ⁽²⁾	14,715	36,863
Exploration and administrative support costs ⁽³⁾	302,514	124,533
	345,901	264,759

1 Consulting and management fees consisted of CEO, CFO and Corporate Secretary fees.

2 Share-based payments expense was a non-cash item that consisted exclusively of the fair value of stock options that were granted to key management personnel.

3 Exploration and administrative support costs were charged by TruePoint and consisted of mineral exploration and evaluation expenditures, consulting fees, corporate advisory fees and office and administration costs.

b) Related Party Balances

The Company’s related party receivable/payable balances consisted of the following:

	August 31, 2020	May 31, 2020
Current assets – prepaid expense and deposits	\$	\$
TruePoint, net ⁽¹⁾	61,026	112,504
Tim Johnson	-	754
	61,026	113,258

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Current liabilities – due to related parties

Tim Johnson	562	-
1111040 BC Ltd	47,000	88,600
Tim Thiessen	-	24,150
A. Milne Consulting Corp.	5,565	787
Metallic Minerals	-	2,501
	53,127	116,038

1 This amount was net of cash advances made to TruePoint, partially offset by changes from TruePoint for exploration, management, accounting and office and administration.

Amounts due to related parties are unsecured, non-interest-bearing, and have no formal terms of repayment.

c) Insider Participation in Private Placements

There was no insider participation in the Company's June 2020 private placement.

PROPOSED TRANSACTIONS

As of the date of this report, there were no proposed transactions that have not been disclosed elsewhere in this MD&A.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and due to related parties. Cash, accounts receivable, accounts payable and accrued liabilities and due to related parties are classified as amortized cost.

As at August 31, 2020 the Company believes the carrying values of cash, receivables, accounts payable and accrued liabilities, due to related parties and short-term loans approximate their fair values due to the short period to maturity.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. There have been no changes in any risk management policies since May 31, 2020.

DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this report, there were 71,591,901 common shares, 42,034,593 share purchase warrants and 6,800,000 stock options outstanding.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized, and reported within the time periods specified by securities regulations and that the information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting are intended to provide reasonable assurance regarding the reliability of

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financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. In connection with National Instrument 52-109 (Certificate of Disclosure in Issuer's Annual and Interim Filings) ("NI 52-109"), the Chief Executive Officer and Chief Financial Officer of the Company have filed a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements for the three months ended August 31, 2020 and this accompanying MD&A (together, the "Annual Filings").

In contrast to the full certificate under NI 52-109, the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109. For further information the reader should refer to the Venture Issuer Basic Certificates filed by the Company with the Interim and Annual Filings on SEDAR at www.sedar.com.

RISK FACTORS AND UNCERTAINTIES***Overview***

The Company is subject to many risks that may affect future operations over which the Company has little control. These risks include, but are not limited to, intense competition in the resource industry, market conditions, and the Company's ability to access new sources of capital, mineral property title, results from property exploration and development activities, and currency fluctuations. The Company has a history of recurring losses and there is no expectation that this situation will change in the foreseeable future.

Competition

Other exploration companies, including those with greater financial resources than the Company, could adopt or may have adopted the same business strategies and thereby compete directly with the Company, or may seek to acquire and develop mineral claims in areas targeted by the Company. While the risk of direct competition may be mitigated by the Company's experience and technical capabilities, there can be no assurance that competition will not increase or that the Company will be able to compete successfully.

Access to Capital

The exploration and subsequent development of mineral properties is capital intensive. Should it not be possible to raise additional equity funds when required, the Company may not be able to continue to fund its operations which would have a material adverse effect on the Company's potential profitability and ability to continue as a going concern. At present, the Company does not have cash resources to fund planned exploration for the next twelve months. Timing of additional equity funding will depend on market conditions as well as exploration requirements.

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. These conditions may persist for an indeterminate period of time.

Foreign Operations and Political Risk

In foreign jurisdictions, mineral exploration and mining activities may be affected in varying degrees by political or economic instability, expropriation of property and changes in government regulations such as tax laws, business laws, environmental laws and mining laws. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may materially adversely affect its business, or if significant enough, may make it impossible to continue to operate in certain countries. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and exploration health and safety. These risks are not unique to foreign jurisdictions and apply equally to the property interests in Canada.

Speculative Nature of Mineral Exploration and Development

The exploration for and development of mineral deposits involves significant risk which even a combination of careful evaluation, experience and knowledge may not adequately mitigate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. There is no assurance that commercial quantities of ore will be discovered on any of the Company's properties. Even if commercial quantities of ore are discovered, there is no assurance that the mineral property will be brought into production.

Whether a mineral deposit will be commercially viable depends on a number of factors, including the particular attributes of the deposit, such as its size, grade, metallurgy, and proximity to infrastructure;

commodity prices, which have fluctuated widely in recent years; and government regulations, including those relating to taxes, royalties, land tenure, land use, aboriginal rights, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, and the Company's business may be adversely affected by its inability to advance projects to commercial production.

Uninsured or Uninsurable Risks

The Company may become subject to liability for pollution or hazards against which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's evaluation of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration and operating activities.

Commodity Prices

The prices of gold, silver, copper, lead, zinc, moly, and other minerals have fluctuated widely in recent years and are affected by a number of factors beyond the Company's control, including international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, consumption patterns, and speculative activities and increased production due to improved exploration and production methods. Fluctuations in commodity prices will influence the willingness of investors to fund mining and exploration companies and the willingness of companies to participate in joint ventures with the Company and the level of their financial commitment. The supply of commodities is affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit.

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Mineral Property Tenure and Permits

The Company completes reviews of its mineral property titles and believes that all requirements have been met to ensure continued access and tenure for property titles. However, ongoing requirements are complex and constantly changing so there is no assurance that these titles will remain valid. The operations of the Company will require consents, approvals, licenses and/or permits from various governmental authorities. There can be no assurance that the Company will be able to obtain all necessary consents, approvals, licenses and permits that may be required to carry out exploration, development and production operations at its projects.

Although the Company has acquired the rights to some or all of the resources in the ground subject to the tenures that it acquired, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable laws usually provide for rights of access to the surface for the purpose of carrying on exploration activities, however, the enforcement of such rights can be costly and time consuming. It is necessary, as a practical matter, to negotiate surface access.

There can be no guarantee that, despite having the right at law to access the surface and carry on exploration activities, the Company will be able to negotiate a satisfactory agreement with existing landowners for such access, and therefore it may be unable to carry out exploration activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdictions.

Conflicts of Interest

Certain directors and officers of the Company also serve as directors, officers and advisors of other companies involved in natural resource exploration and development. To the extent that such companies may participate in ventures with the Company, such directors and officers may have conflicts of interest in negotiating and concluding the terms of such ventures. Such other companies may also compete with the Company for the acquisition of mineral property rights. In the event that any such conflict of interest arises, the Company's policy is that such director or officer will disclose the conflict to the board of directors and, if the conflict involves a director, such director will abstain from voting on the matter. In accordance with the Business Corporations Act (BC), the directors and officers of the Company are required to act honestly and in good faith with a view to the best interests of the Company.

Dependence Upon Others and Key Personnel

The success of the Company's operations will depend upon numerous factors including its ability to attract and retain additional key personnel in exploration, marketing, joint venture operations and finance. This will require the use of outside suppliers as well as the talents and efforts of the Company and its consultants and employees. There can be no assurance that the Company will be successful in finding and retaining the necessary employees, personnel and/or consultants in order to be able to successfully carry out such activities. This is especially true as the competition for qualified geological, technical personnel and consultants can be particularly intense.

Government Regulation

The Company operates in an industry which is governed by numerous regulations, including but not limited to, environmental regulations as well as occupational health and safety regulations. It is possible that regulations or tenure requirements could be changed by the respective governments resulting in additional costs or barriers to development of the properties. This would adversely affect the value of properties and the



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Company's ability to hold onto them without incurring significant additional costs. It is also possible that the Company could be in violation of, or non-compliant with, regulations it is not aware of.

Corona Virus (COVID-19) Pandemic

Outbreak of the corona virus and the worldwide COVID-19 pandemic may result in impacts to the Company's on-going exploration plans and activities in 2020. The Company is focused on the health and well-being of its workers and the communities in which we work and has implemented preventative measures accordingly. The Company will continue to monitor advice and regulations from the World Health Organization, governments and local communities, and adjust measures as appropriate. The Company may face disruption to operations, supply chain delays, travel and trade restrictions, and impacts on economic activity in affected countries or regions can be expected that are difficult to quantify. Regional disease outbreaks represent a threat to hiring and maintaining skilled workers, and could be a major health-care challenge for its workforce. There can be no assurance that the Company's personnel will not be impacted by these regional disease outbreaks and ultimately that the Company could see its workforce productivity reduced or incur increased medical costs as a result of these health risks. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resulting travel restrictions, social distancing recommendations, government response actions, business disruptions and business closures may have an impact on the Company's exploration operations and access to capital. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic's impact on global industrial and financial markets which may reduce metal prices, share prices and financial liquidity, thereby limiting access to additional capital.

FORWARD LOOKING INFORMATION

This MD&A includes certain statements that may be deemed "forward-looking statements" concerning the future performance of the Company's business, its operations, its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All statements in this discussion, other than statements of historical facts, that address exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that may cause actual results to vary from forward looking statements include, but are not limited to, the Company's ability to access capital, the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and reliance on key personnel, as described in more detail in this document under "Risk Factors and Uncertainties". Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements.



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Other Information

All technical reports on material properties, press releases and material change reports are filed on SEDAR at www.sedar.com.

Investor relations

Company management liaises with the investment community and communicates with investors and shareholders about the Company's projects and progress. The Company's website is www.gxcopper.com.

Corporate Information

CORPORATE HEAD OFFICE & RECORDS OFFICE

904 - 409 Granville Street
Vancouver, British Columbia, Canada V6C 1T2
Telephone: 604-235-1982
Website: www.gxcopper.com Email: info@gxcopper.com

DIRECTORS & OFFICERS

Timothy Johnson, President, CEO, & Director
J. François Lalonde, Director
Michael Rowley, Director
Rebecca Moriarty, CFO
Alicia Milne, Corporate Secretary

STOCK EXCHANGE LISTING

TSX Venture Exchange - Trading Symbol "GCX"
Frankfurt Stock Exchange – Trading Symbol "A2PFE0"

TRANSFER AGENT & REGISTRAR

Odyssey Trust Company
323 - 409 Granville Street, Vancouver, British Columbia, Canada V6C 1T2

LEGAL COUNSEL

Sangra Moller LLP
1000 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, Canada V6C 3L2

AUDITORS

WDM Chartered Professional Accountants
1501 W Broadway #420, Vancouver, British Columbia, Canada V6J 4Z6
