

MOUNTAIN BOY MINERALS LTD.
(An Exploration Stage Company)
MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS
FOR THE SIX MONTHS ENDED MAY 31, 2020

OVERVIEW AND INTRODUCTORY COMMENT

Mountain Boy Minerals Ltd. (“Mountain Boy” or the “Company”) is a Canadian based mineral exploration company listed on the TSX Venture Exchange under the trading symbol “MTB”. The Company is a Canadian based mineral exploration company with extensive property holdings in the Stewart Camp in the very prolific Golden Triangle of British Columbia.

The Company has four primary properties, namely the Barbara (BA) / Surprise Creek properties (silver-zinc-lead), the Red Cliff property (gold-copper-zinc-lead-silver), the American Creek West property (formerly Mountain Boy Silver property) (silver-zinc-lead) and the More Creek property (gold-silver-copper-lead-zinc).

This MD&A is dated July 28, 2020 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed interim financial statements and the related notes for the six months ended May 31, 2020 and the Company's audited financial statements for the year ended November 30, 2019 and the related notes thereto.

Additional information relevant to the Company and the Company's activities can be found on SEDAR at www.sedar.com, and/or on the Company's website at www.mountainboyminerals.ca.

MAJOR QUARTERLY OPERATING MILESTONES

American Creek West Property

On January 14, 2020, the Company announced the updated results on two new gold-silver discoveries on its American Creek West property, located in the Golden Triangle of British Columbia, 20 kilometres north of the deep-water port of Stewart.

Some of the highlights include:

- 28.5 g/t gold and 1,200 g/t silver in separate rock grab samples from the newly discovered Wolfmoon Zone.
- 17.2% zinc and 33.6 g/t silver (previously reported and updated for over-limit re-assays) from the newly discovered Crown Ridge Zone.
- Samples from the historic Chris adit and surrounding area produced copper values to 4%, defining yet another style of mineralization on the American Creek West property.
- Early Jurassic age (185 million years) determined for the recently mapped American Creek intrusion – a similar age as several large gold deposits in the region.

Receding glaciers and detailed geological mapping of the newly consolidated American Creek West ground in 2019 led to the discovery of the Wolfmoon and Crown Ridge Zones.

Mineralization at Wolfmoon occurs within a north-northwesterly striking structural corridor which has so far been traced for 450 metres. Wolfmoon is a very significant discovery, as it contains both high-grade gold and silver in the same zone.

The Crown Ridge Zone occurs 1.4 kilometres north of Wolfmoon at a similar elevation, near the top of Bear River Ridge. Chalcedony occurs within many of the veins suggesting the zone represents the upper levels of an epithermal system.

The Wolfmoon and Crown Ridge zones are located at the margins of the felsic Mount Dilworth formation. This suggests the zones are younger than the nearby Silbak-Premier deposit, however, similar in age to other large-scale deposits in the Golden Triangle including the Brucejack deposit

On March 17, 2020, the Company announced that its application for work on the American Creek West property, including drilling, has been reviewed by the Ministry of Energy, Mines and Petroleum Resources with permit issuance subject only to Mountain Boy posting a bond in the amount of \$13,500.

On May 21, 2020, the Company confirmed district-scale silver-gold potential of the American Creek property based on a property's rich mining history and issued a new geological model that reflects historic data, recent searches, and current exploration.

On May 27, 2020, the Company announced resuming its phase 1 exploration with phase 2 planned for later in the season.

Exploration plans

The objective of the fully financed phase 1 exploration program is to more precisely define drill targets for phase 2 of the program. The drill program is intended to confirm the geological model that points to district-scale silver-gold potential. The emerging geological model holds that the various mineralized occurrences are surface expressions of a large geological system. That system interpreted to be analogous to the Premier district, located immediately west of the American Creek property (see news release dated May 21, 2020).

The first phase of work will include airborne and ground geophysics, geology, and structural interpretation. A lidar survey of the entire property will be flown to provide more detailed ground control for historic and current geological mapping and to help guide drill hole locations.

An induced polarization (IP) survey will be conducted over the recently discovered Wolfmoon zone. Ascot Resources has conducted IP surveys on its adjacent Premier gold project and has stated "this geophysical technique is an extremely useful tool for Ascot in rapidly identifying drill targets ..." (Ascot news release, November 13, 2018).

Geological groundwork will include refined structural mapping, detailed mapping of previously identified targets and follow-up of anomalous soil geochemical results. Additional geochronological analysis will be conducted to further evaluate the mineralization and geological setting of the property. The Mountain Boy technical team has identified multiple mineralizing events spanning several million years. There is enormous value in relating the various occurrences to particular mineralizing events.

Plans for phase II include drilling of defined targets. These targets include the historic MB silver mine, the extension of the MB silver veins which occur at least two kilometres to the north and the newly discovered Wolfmoon zone, where surface samples include 1,200 g/t silver and 28.5 g/t gold.

The field season will begin with low elevation work, initially in the American Creek valley, where geochemical sampling yielded targets that warrant follow-up. The team will progress to higher elevation as conditions permit.

The Company is following precautionary measures to manage and respond to the risks associated with COVID-19. These include following guidance and directives as updated by federal, regional and provincial health authorities in respect of general and site-specific protocols.

Barbara (BA) Property

On June 29, 2020, the Company announced that the Company's exploration program this summer would include further work at BA, where previous drilling had outlined a large low-grade silver-zinc-lead occurrence. The geological team will be ground-truthing several geophysical anomalies at BA as well as following up on 2016 trenching at the north end of the Barbara Zone that yielded a previously unreported interval of 1.5 metres grading 14.3 g/t gold.

Corporate

The Company announced that B.H. (Ben) Whiting, PGeo, FSEG, KStG, joined Mountain Boy as a director.

QUARTERLY FINANCIAL CONDITION

Capital Resources

The Company has \$120,954 as reclamation bonds.

On March 17, 2020, the Company granted 250,000 options at an exercise price of \$0.25 for a period of five years to the new director.

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.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants and options, along with the planned developments within the Company as well as with its JV partners will allow its efforts to continue throughout 2020. If the market conditions prevail or improve, the Company will make adjustment to budgets accordingly.

On July 7, 2020, the Company closed \$2,000,000 unit ("Unit") financing by issuing 8,000,000 Units at \$0.25 per Unit. Each Unit comprised of one common share and one-half of one common share purchase warrant. Each full warrant is exercisable to acquire one common share at a price of \$0.40 per warrant share expiring on July 7, 2022. Finders' fees of \$18,570 in cash and 74,280 finder's warrants were paid. Each finder's warrant is exercisable into one common share at \$0.25 until July 7, 2021.

On July 9, 2020, 150,000 options were exercised at a price of \$0.25 by a director of the Company.

On July 15, 2020, the Company issued 4,166,669 flow-through shares at \$0.30 per share for gross proceeds of \$1,250,000. Finder's fees of \$44,430 in cash were paid. The net proceeds of the Offering are used for exploration of the Company's projects in BC's Golden Triangle, including planned drilling of the American Creek property.

Liquidity

As at May 31, 2020, the Company's working capital was \$664,510 (November 30, 2019 - \$596,374). With respect to working capital, \$280,883 was held in cash (November 30, 2019 - \$169,653). The increase in cash was due to the proceeds from the sale of marketable securities of \$243,935 and net proceeds from the issuance of common shares of \$183,312 while being offset by \$170,110 used in operations and \$145,907 used in the exploration and evaluation assets.

Operations

During the three months ended May 31, 2020, the Company reported a net loss of \$12,847 (\$0.00 loss per share) (2019 - \$922,955 (\$0.03 loss per share)).

The Company's general and administrative expenses amounted to \$107,556 during the three months ended May 31, 2020 (2019 - \$62,925), an increase of \$44,631 mainly due to the stock based compensation of \$44,175 (2019 - \$nil) and the increase in management fees (from 2019's \$5,900 to 2020's \$17,200) because more of the Chief Executive Officer's amounts were being allocated to general administrative expenses as opposed to the properties. The Company continues to monitor its use of cash and has been actively seeking ways to conserve cash.

The other major item for the three months ended May 31, 2020, compared with May 31, 2019 was:

- Fair value gain on marketable securities of \$99,548 (2019 – fair value loss of \$826,604); and
- Realized loss of marketable securities of \$4,825 (2019 - \$35,605).

During the six months ended May 31, 2020, the Company reported a loss of \$13,833 (\$0.00 loss per share) (2019 – \$1,221,069 (\$0.04 loss per share)).

The Company's general and administrative expenses amounted to \$171,609 during the six months ended May 31, 2020 (2019 – \$116,779), an increase of \$54,830 mainly due to the stock based compensation of \$44,175 (2019 – \$nil) and the increase in management fees (from 2019's \$10,600 to 2020's \$35,100) because more of the Chief Executive Officer's amounts were being allocated to general administrative expenses as opposed to the properties. The Company has been monitoring its use of cash and has been actively seeking ways to conserve cash.

The other major items for the six months ended May 31, 2020, compared with May 31, 2019 was:

- Gain on settlement of debt of \$nil (2019 - \$172,757);
- Fair value gain on marketable securities of \$246,567 (2019 - fair value loss of \$1,244,040); and
- Realized loss of marketable securities of \$89,065(2019 - \$35,605).

SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of this MD&A, other than disclosed in this MD&A – Quarterly Highlights, the Company has does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR March 13, 2020 in connection with our annual financial statements (the "Annual MD&A"), we have set out our discussion of the risk factors *Exploration risks*, *Market risks* and *Financing risk* which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at May 31, 2020:

	Issued and outstanding	
	May-31-20	July-28-20
Common shares outstanding	36,710,382	49,078,051
Stock options	3,650,000	3,500,000
Warrants	640,000	4,640,000
Finder's warrants	60,000	83,280
Fully diluted common shares outstanding	41,060,382	57,301,331

QUALIFIED PERSON

Mr. Andrew Wilkins, P.Geo, is a Qualified Person, as defined by National Instrument 43-101. Mr. Andrew Wilkins has reviewed the technical contents of this MD& A.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.