



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

The following Management's Discussion and Analysis ("MD&A") of Metallic Minerals Corp. ("Metallic" or the "Company") is for the year ended July 31, 2019 and covers information up to the date of this MD&A.

This MD&A is dated **November 28, 2019**.

This MD&A should be read in conjunction with the Company's consolidated financial statements and the notes thereto for the year ended July 31, 2019, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts herein are expressed in Canadian Dollars unless stated otherwise.

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.

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

Metallic is a growth stage exploration company, focused on the acquisition and development of high-grade silver and gold exploration properties in brownfield mining districts. The Company was originally incorporated in the Province of British Columbia ("BC") on May 3, 2007 under the Business Corporations Act (British Columbia) and was registered as an extra-territorial corporation under the Business Corporations Act (Yukon) on July 10, 2009. The Company's key assets are located in the high-grade Keno Hill silver district, La Plata silver-gold-copper district, and Klondike gold district. All three districts have existing infrastructure, including grid power, highway and road access. The Company is a reporting issuer in BC, Yukon, Alberta, Ontario, New Brunswick, Nova Scotia and Newfoundland and Labrador. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "MMG" and the OTC Exchange under the symbol "MMNGF". To date the Company has not generated any significant revenues.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

OUTLOOK AND STRATEGY

Metallic Minerals 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, brownfields 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 ("**Group Ten**"), and **Granite Creek Copper Ltd. (TSX-V: GCX)** in the Minto copper district of the Yukon ("**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, along with shared back-office and corporate support for cost efficiency and access to industry specialists.

HIGHLIGHTS AND KEY DEVELOPMENTS (to the date of this report)

- On October 17, 2019, the Company completed a non-brokered private placement for gross proceeds of \$2,750,000 through the issuance of 12.5 million flow-through ("**FT**") units at a price of \$0.22 per unit. Each unit consisted of one FT common share and one-half non-flow-through ("**NFT**") share purchase warrant, with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.25 with an expiry of October 17, 2021. The Company paid a finder's fee to Mackie Research Capital of 500,000 units under the same terms and conditions as the private placement. Net proceeds from the private placement will be used primarily for further exploration on the Keno silver project and other Canadian exploration properties;
- On September 10, 2019, the Company entered into an option agreement to acquire a 100% interest in the La Plata silver-gold-copper property ("**La Plata**") in southwest Colorado from two arms-length vendors. The property, which is approximately 26 kilometers ("**km**") northwest of Durango, Colorado, covers approximately 33km² in the historic high-grade La Plata mining district. In consideration, the Company will issue each vendor a total of 5 million units and US\$250,000 over a period of four years upon the achievement of certain milestones.

Upon issuance, each of the units will comprise of one common share and one-half of a share purchase warrant, with each full warrant exercisable into one common share of the Company for a period of 36 months from issuance at an exercise price equal to 120% of the 20-day volume weighted average trading price of the Company's common shares on the TSX-V on the business day immediately preceding the date of issuance.

La Plata will be subject to a 2% Net Smelter Return Royalty ("**NSR**") and the Company will have the ability to buy back up to 0.5% of this NSR;



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

HIGHLIGHTS AND KEY DEVELOPMENTS (to the date of this report) (continued)

- On August 14, 2019, the Company announced results of its continued compilation and synthesis of historic and new exploration data from the Central Keno Hill silver district, which covers the central 12km of the 35km long Keno Hill silver district. These results confirmed bonanza-grade Keno-style silver mineralization including samples of over 1,000 grams/tonne (“g/t”) silver at the Caribou and Homestake advanced-stage targets along with eight additional earlier stage targets that are being advanced to drill testing stage. Recent sampling work has also identified two new multi-kilometer soil targets with highly elevated silver, lead, and zinc in soils in the Keno Summit area that extend from areas with recognized high-grade Keno-type high-grade structures;
- On August 2, 2019 the Company announced that all the remaining warrants from its June 30, 2016 financing had been fully exercised for gross proceeds of \$1,746,600. Directors, management, and employees of the Company exercised 100% of their warrants, contributing \$670,000 to the proceeds;
- On April 23, 2019, the Company announced results of its continued compilation and synthesis of historic and recent exploration data on the East Keno target area, which covers the eastern-most 12km of the 35km long Keno Hill silver district. These results confirmed the presence of significant Keno-style silver mineralization, including eight separate multi-kilometer targets with highly-elevated silver, lead and zinc in soils and multiple high-grade rock samples over 1,000 g/t silver. In addition, large areas and thicknesses of Keno Hill quartzite and greenstones, the most important host rocks for the largest deposits in the district, have been identified within these target areas, creating the settings for potential large Keno-type silver-lead-zinc deposits similar to those in the more developed West and Central parts of the district;
- On February 28, 2019, the Company granted 2,500,000 incentive stock options to directors, officers, employees and consultants of the Company. Each option allows the holder to purchase one common share of the Company at a price of \$0.18 per share, expiring on February 28, 2024. The options are subject to certain vesting requirements in accordance with the Company’s Long-Term Performance Incentive Plan;
- On January 28, 2019, the Company announced high-grade silver, lead, zinc and copper results from its 2018 exploration program including the identification of six separate kilometre-scale soil areas of highly elevated metals in soils and rock samples;
- In December 2018, the Company issued 250,000 common shares valued at \$52,500 in accordance with the option agreement on the Australia Creek Property;
- On November 21, 2018 the Company closed two concurrent, non-brokered private placements resulting in total gross proceeds to the Company of \$900,834 through the issuance of 4,038,075 units. The Company issued 3,415,221 NFT units at a price of \$0.22 per unit for total gross proceeds of \$751,349, where each NFT unit consists of one common share of the Company and one-half share purchase warrant. The Company also issued 622,854 FT units at a price of \$0.24 per unit for gross total proceeds of \$149,485, where each FT unit consists of one FT common share of the Company and one-half NFT share purchase warrant. Each whole warrant entitles the holder to acquire one common share of the Company at an exercise price of \$0.33 with an expiry of November 21, 2021;



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

HIGHLIGHTS AND KEY DEVELOPMENTS (to the date of this report) (continued)

- On October 3, 2018, the Company announced signing a new production royalty agreement on two additional areas on its Australia Creek property within the Klondike Gold District;
- On September 17, 2018, the Company announced initial exploration results from its McKay Hill project in the Yukon Territory including multiple new vein discoveries on the property; and
- On September 5, 2018, the Company announced expansion of management for Metallic Group companies.

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

MINERAL PROPERTIES

YUKON SILVER PROJECTS (CANADA)

As shown in Figure 1 below, Metallic’s core Keno silver project is located in the historic Keno Hill silver district of Canada’s Yukon Territory, with over 200 million ounces (“ozs”) of high-grade silver in past production and excellent existing infrastructure, including grid power, highway and road access. In addition, its McKay Hill project is a historic producer and is located northeast of the Keno silver project in a newly emerging silver and gold mining district.

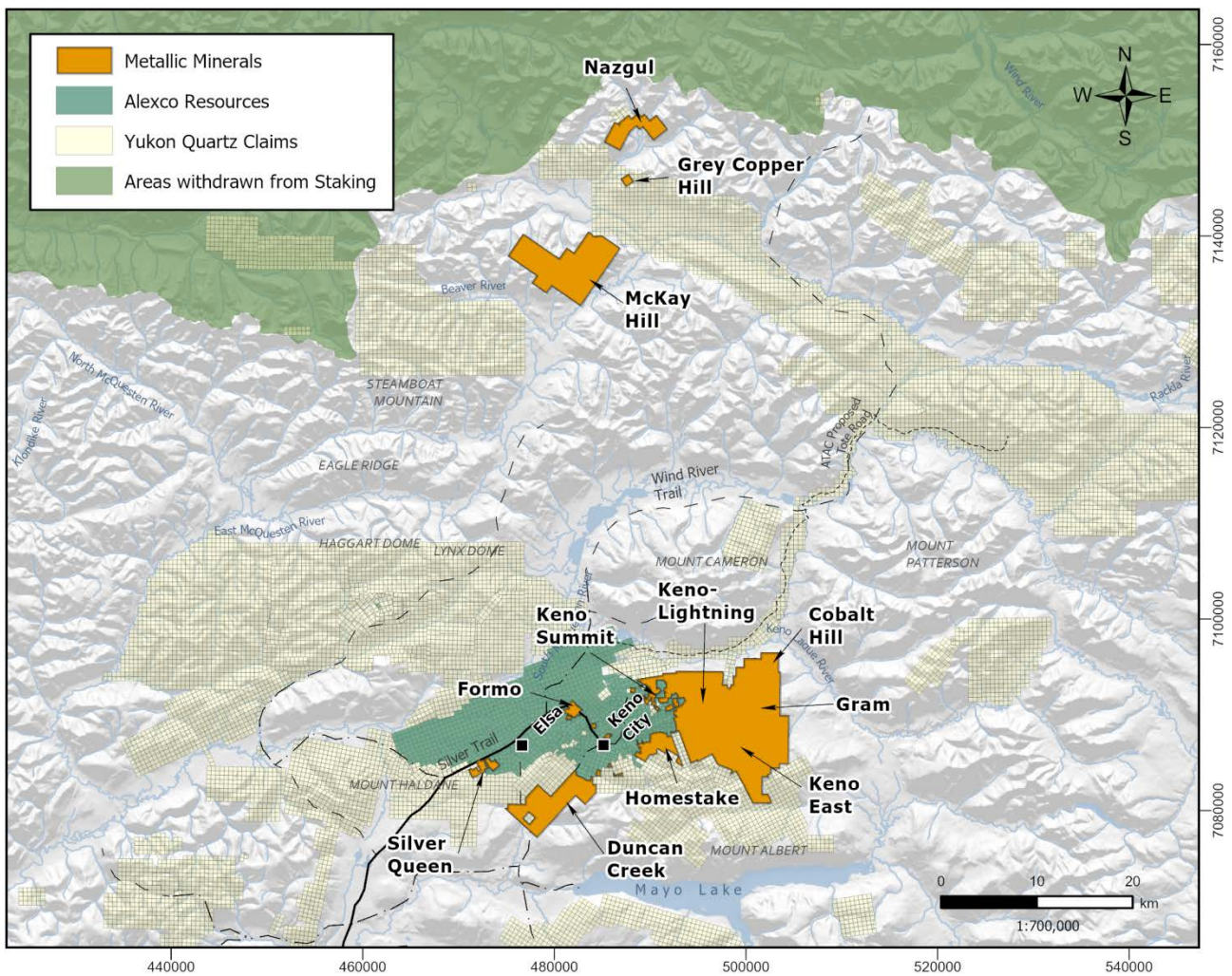


Figure 1. The Company’s silver properties consist of the Keno silver project and McKay Hill project located in central Yukon Territory of Canada. The Keno silver project comprises the Keno-Lightning (which includes Homestake), Keno Summit, Gram, Keno-East, Cobalt Hill, Duncan Creek, Formo and Silver Queen properties.



MANAGEMENT'S DISCUSSION AND ANALYSIS
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MINERAL PROPERTIES (continued)

YUKON SILVER PROJECTS (CANADA) (continued)

KENO SILVER PROJECT

Metallic's 100% owned Keno silver project covers 166 square km ("km²") within the Keno Hill silver district located in Canada's Yukon Territory. The Keno silver project is a brownfields exploration project within one of the world's highest-grade silver districts, which has produced over 200 million ozs of high-grade silver over the past 100 years at an average grade exceeding 1,300 g/t. The Keno silver project, which is located near the communities of Keno City and Mayo, has excellent existing infrastructure with highway and road access, grid power and access to existing deep sea ports.

The Keno silver project covers the eastern portion of the Keno Hill silver district along with newly acquired portions on the western and southern sides of the district along trend and down dip of the historically productive trends within the district. These areas of the district have been under-explored due to previously fragmented, private land ownership that has largely been consolidated by Metallic. The Keno silver project directly adjoins Alexco Resource Corp.'s operations, including the Bellekeno, Birmingham, Flame & Moth and Lucky Queen deposits, which contain over 100 million ozs of high-grade silver in current Measured & Indicated resources. Ten of the twelve known Keno-style high-grade silver structural trends occur on the project in areas underlain by the preferred host rocks within the district.

The Keno silver project has seen shallow, historic production from eight mines, including five with average grades above 5,000 g/t silver. Metallic has been compiling and integrating recent and historic geologic and geophysical data into its project database and modelling work.

The Keno silver project is made up of eight main properties across the 35 kilometer-long Keno Hill silver district comprising Keno-Lightning, Keno Summit, Gram, Keno East, Cobalt Hill, Duncan Creek, Formo and Silver Queen properties.

a) Keno-Lightning Property

The Keno-Lightning property, which includes Homestake, is the largest property within the Keno silver project and is subject to a 3% NSR. The Company has the option to buy back up to 2% of this NSR.

b) Keno Summit Property

The Company owns 100% of 17 claims and five leases on the Keno Summit property.

Nine claims are subject to the same NSR as the Gram property, seven claims and two leases are subject to the same NSR as the Silver Queen property, three leases are subject to the same NSR as the Formo property and one claim is not subject to an NSR.



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019

MINERAL PROPERTIES (continued)

YUKON SILVER PROJECTS (CANADA) (continued)

KENO SILVER PROJECT (continued)

c) **Keno-East Property**

The Company staked additional ground in the Keno-East target area, which covers the eastern and southern extension of the main Keno Hill Quartzite unit, as well as several areas with prospective greenstone targets.

d) **Gram Property**

The 100% owned Gram property consists of 42 claims covering approximately 8.7 km² on the east side of the Keno Hill silver district.

The Gram property is subject to a 2% NSR for precious metals and a 1% NSR for base metals and the Company has the option to buy back the full NSR.

e) **Cobalt Hill Property**

The Company owns a 100% interest in the Cobalt Hill property covering 4.2 km² that are contiguous with the eastern end of the Keno-Lightning property in the Keno Hill silver district.

Cobalt Hill is subject to a 3% NSR and the Company has the option to buy back up to 1.5% of this NSR.

f) **Duncan Creek Property**

The Duncan Creek property was staked by the Company in January 2017 along with other claims totaling approximately 30.2 km². The Company owns 100% of the Duncan Creek claims and they are not subject to any underlying royalties.

g) **Formo Property**

The Company owns a 100% interest in 16 mining leases in the Keno Hill silver district.

The Formo property is subject to a 2% NSR for precious metals and a 1% NSR for base metals. The Company has an option to buy back the full NSR.

h) **Silver Queen Property**

The 100% owned Silver Queen property consists of 20 claims primarily on the western end of the Keno Hill silver district.

The Silver Queen property is subject to a 2% NSR and the Company has the option to buy back the full NSR.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

MINERAL PROPERTIES (continued)

YUKON SILVER PROJECTS (CANADA) (continued)

KENO SILVER PROJECT WORK PROGRAMS

The Company conducted its inaugural field exploration programs on its Keno silver project in 2017 following a comprehensive review of modern and historic data. Metallic identified more than 40 target areas and prioritized 12 priority target areas for further evaluation including geophysical and geochemical surveys, geologic mapping, and trenching. This was followed by a first phase of drilling focused on the Caribou and Homestake advanced target areas. The results showed that the Caribou and Homestake targets are classic Keno-type high-grade systems with bonanza grades, and that they remain open to further expansion down dip and along trend.

In 2018, the Company followed up on the success of its 2017 exploration program with a combination of target development and refinement along ten of the known mineralized trends traversing Metallic's holdings in the district, as well as step-out drilling at the Caribou, and Homestake advanced stage targets. First reconnaissance drilling was also completed in the Keno Summit area at the Gold Hill and Duncan targets. Permitting was completed for future drill testing of the Formo and Silver Queen targets and earlier stage target refinement work included detailed stratigraphic mapping, broad reconnaissance soil sampling, and trenching focused on the Central and Keno East target areas.

Exploration in 2019 continued to systematically build on the Company's 3D geologic model for the district and included the on-going synthesis of recent and historic exploration data covering the East, Central and Western portions of the Keno Hill silver district. Target refinement and advancement work focused on a combination of work at the advanced stage targets located along the known historically productive trends both down dip and along strike from past producing mines, as well as target development in the underexplored eastern part of the district where 10 priority multi-kilometer-scale early-stage targets were identified with highly-elevated silver, lead and zinc in soils and multiple high-grade rock samples over 1,000 g/t silver. Follow-up work on these early-stage targets confirmed the presence of significant high-grade Keno-style silver mineralization hosted within both the Keno Hill quartzite and greenstones which are the most productive host rocks in the district.

Work to date has advanced three targets to step out drilling stage and several additional targets to drill-ready status, in the Central and Western parts of the district, and has identified 10 priority kilometer scale early stage targets for reconnaissance drilling in the Eastern part of the district. The Company will be refining these targets with the receipt of pending including review of remote multi-spectral studies, geophysical survey interpretation and results from geochemical sampling in preparation for drilling in 2020.

MCKAY HILL PROJECT

The Company owns a 100% interest in the McKay Hill project, which covers 44 km² of claims located approximately 50 kms north of the Keno Hill silver district in the Yukon Territory. McKay Hill is an historic high-grade silver and gold producer and occurs within a belt of silver-lead-zinc related deposits that stretch from the Alaska border to the southern part of the Yukon that includes the famous Keno Hill silver district. McKay Hill shows potential to host a significant district scale vein system similar to Keno Hill, with at least 37 identified vein structures that have seen very limited modern exploration. McKay Hill occurs at the western end of ATAC Resource Ltd.'s ("ATAC") Rackla project. McKay Hill is subject to a 3% NSR and the Company has the option to buy back up to 2% of this NSR.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

MINERAL PROPERTIES (continued)

YUKON SILVER PROJECTS (CANADA) (continued)

MCKAY HILL PROJECT WORK PROGRAMS

During 2017, the Company conducted field exploration programs on McKay Hill. Exploration work included follow-up rock and soil sampling, reconnaissance and detailed mapping of veins in the Central Zone and Independence Ridge areas. In addition, high resolution satellite photography was collected over the entire McKay Hill project to provide mapping and topographic ground control for use in future programs.

In 2018 exploration included detailed mapping, soil and rock sampling, and trenching at the Central Zone and other identified mineralized areas with the objective of developing and refining potential drill targets. Geochemical surveys on McKay Hill have highlighted extensions of the known mineralization and several new areas with similar geophysical properties to those of areas of historic production. Soil sampling extended the existing soil grids to cover an area approximately 3 kilometers by 1.5 kilometers to expand the open anomalies. This work outlined six separate kilometer-scale areas of highly elevated silver, lead, zinc, copper and gold in soils and rock sampling. Results indicate a broader area of mineralization than has been previously recognized and suggests the potential for high-grade vein structures as well as potential for large-scale, bulk minable targets.

Exploration in 2019 included follow-up work to extend the areas of investigation beyond the identified kilometer-scale targets at the main Central Zone, West McKay, Bella, Red, Falls and Snowdrift and Independence Zones. Work included geologic mapping along with soil and rock sampling extending the Bella and Red showings. Additionally, work included field investigation of remote multi-spectral studies that were conducted in conjunction with the Keno silver project that were extended for use at McKay Hill. Ongoing work which includes the development of 3D geologic model of the property is designed to incorporate this new data into target ranking and prioritization for future work programs. The results from this year's program at McKay Hill will be used to refine the defined targets for follow-up work in 2020 coordinated with the Company's Keno silver project exploration activities.

SILVER HILL PROJECT

In 2018, as part of a program partially funded by a focused regional Yukon Minerals Exploration Program ("YMEP") grant, the Company discovered significant silver, gold, copper, lead, zinc mineralization approximately 15 km north of the Company's McKay Hill project and adjacent to ATAC's Rackla property.

In 2019, based on the successful application for a second YMEP grant, the Company increased the Silver Hill property size to 10.7 km² with the discovery of additional significant mineralization centered at three kilometer-scale target areas Nazgul, Gondor, and Moria. Exploration including applied field mapping, prospecting and rock and soil sampling resulted in the discovery of additional mineralization and prospective stratigraphy during the 2019 field season.

Work in 2020 at the Silver Hill property will integrate pending geochemical results and will focus on refining and developing targets through systematic additional soil sampling, geophysics and mapping. Exploration activities would be carried out in conjunction with the McKay Hill programs.

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

MINERAL PROPERTIES (continued)

KLONDIKE GOLD DISTRICT – ROYALTY PORTFOLIO (CANADA)

As shown in Figure 2 below, Metallic’s alluvial properties consist of Australia Creek and Dominion Creek, which are tributaries of the Indian River, in the Klondike Gold District near Dawson City, Yukon. Australia Creek and Dominion Creek are part of the historic Klondike Gold District that is estimated to have produced over 20 million ounces of gold since its discovery in 1898¹. Australia Creek and its benches are now recognized by Yukon Geological Survey as an eastern continuation of the highly-productive Indian River drainage system, which is the largest placer gold producing area in the Yukon. Mining on the Indian River began in the late 1970’s and has produced about 250,000 ounces, or more than 40% of all placer gold production in the Yukon through 2015.¹

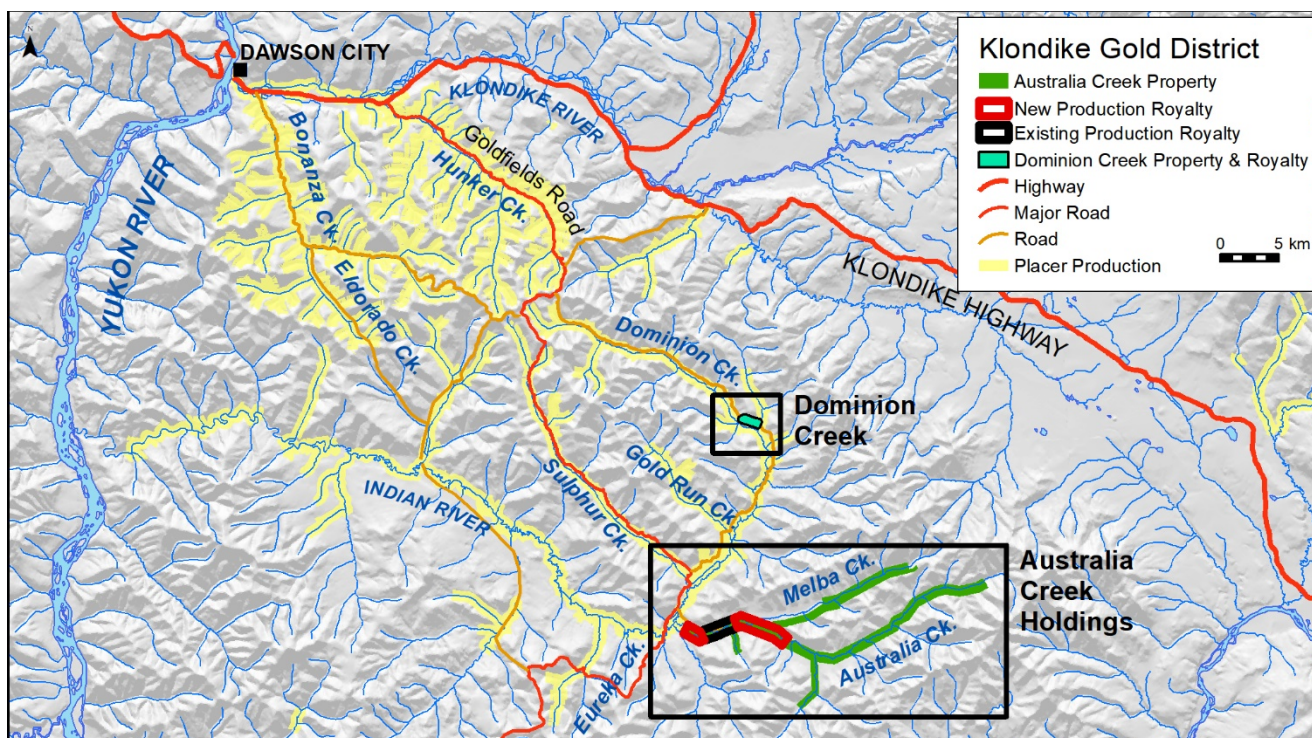


Figure 2. The Company’s alluvial properties located in the Klondike Gold District, Yukon, consisting of Australia Creek and Dominion Creek.

¹ Yukon Geological Survey (“YGS”) Yukon Placer Mining Industry Report 2010-2014.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

MINERAL PROPERTIES (continued)

KLONDIKE GOLD DISTRICT – ROYALTY PORTFOLIO (CANADA) (continued)

AUSTRALIA CREEK PROPERTY

The Company has an option to acquire a 100% interest in approximately 26 miles (42 km) of mining rights and 18 miles (29 km) of bench claims along the Australia Creek drainage (“**Australia Creek Property**”), a tributary to the Indian River, in the Klondike Gold District near Dawson City, Yukon (see Figure 2 above). The vendors will receive a 4% royalty from the Company on all alluvial gold production. The Company has the ability to buy back the full royalty. One of the vendors is a related party as a director of the Company.

In order to earn a 100% interest in the underlying Australia Creek Property, Metallic has the following remaining commitments:

- In December 2018, an amount of \$25,000 is to be paid to one of the vendors (outstanding);
- In December 2019, a final payment of \$25,000 is to be paid to one of the vendors; and
- In December 2019, the Company is to issue 275,000 common shares to the vendors, based on continued mining on the Australia Creek Property with gold royalty production or a new mining lease agreement with another operator on additional claims.

The Company has a production royalty agreement with respect to a two-mile portion of the Australia Creek Property (“**Lower Australia Creek**”). Under the production royalty agreement, the Company has given an experienced arms-length alluvial mining operator an exclusive right to mine Lower Australia Creek, in exchange for a 12% royalty on all gold production, payable to the Company.

In October 2018, the Company entered into a production royalty agreement covering four additional miles of valley bottom and bench alluvial claims in two blocks of its Australia Creek property with an experienced alluvial mining operator in exchange for a 10% royalty on all gold production. This portion of the property is fully permitted for full scale production mining allowing for production to proceed following completion of test work.

The Company now has approximately 6 miles out of its 26 miles of valley and bench alluvial claims under production royalty agreements. The areas under royalty agreements are fully permitted for full-scale production mining allowing for production to proceed following completion of test work. Metallic has initiated new alluvial mine permit applications on 8 miles of the Australia Creek drainage above its current operators. The Company is currently in discussions with additional experienced operators on further production royalty agreements on these highly prospective areas.

AUSTRALIA CREEK WORK PROGRAMS

In the fall of 2017, the operator of the lower Australia Creek lease covering 2 miles of valley and bench alluvial claims, mobilized to site and conducted test work. Work in 2017 included upgrading road access to the site along with geophysical surveys in order to assist in defining depth to bedrock as well as defining paleo-channels. Work by the operator in 2018 and 2019 on this lease included additional exploration and test mining with ground preparation for a bulk sample.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

KLONDIKE GOLD DISTRICT – ROYALTY PORTFOLIO (CANADA) (continued)

AUSTRALIA CREEK WORK PROGRAMS (continued)

In October 2018, the Company entered into a new production royalty agreement covering an additional four miles of valley bottom and bench alluvial claims in two blocks of its Australia Creek property. The Company has granted exclusive mining rights to experienced alluvial mining operators in exchange for a 10% royalty on all gold production. The property is permitted for large-scale alluvial gold production. In late 2018, the operator mobilized mining equipment to the site and in 2019 has been conducting exploration work including drilling and bulk sample test pit development, which has confirmed the presence of significant alluvial gold.

DOMINION CREEK PROPERTY

The Company acquired a 100% interest in mining rights from an arms-length party consisting of 10 claims totalling approximately 1 mile (1.6 km) along a bench of Dominion Creek, a tributary to the Indian River, in the Klondike Gold District near Dawson City, Yukon (see Figure 2 on Page 10). The Company also entered into a production royalty agreement with respect to these claims under which the Company has granted exclusive mining rights to an experienced alluvial mining operator in exchange for a 15% royalty on all gold production.

In November 2017, Metallic received a small royalty payment from test work conducted by the Dominion Creek operator totaling 10.7 ozs of gold. Though this was from a modest amount of test material, it confirmed the presence of recoverable alluvial gold on the Dominion Creek property. Work in 2018 and 2019 has included geophysics and site preparation for a bulk sample.

COLORADO SILVER-GOLD-COPPER PROJECT (UNITED STATES)

LA PLATA PROJECT

On September 10, 2019, the Company entered into an option agreement to acquire a 100% interest in La Plata in southwest Colorado from two arms-length vendors. The property, which is approximately 26 km northwest of Durango, Colorado, covers approximately 33km² in the historic high-grade La Plata mining district. In consideration, the Company will issue each vendor a total of 5 million units and US\$250,000 over a period of four years upon the achievement of certain milestones. La Plata will be subject to a 2% NSR and the Company will have the ability to buy back up to 0.5% of this NSR.

Upon issuance, each of the units will comprise of one common share and one-half of a share purchase warrant, with each full warrant exercisable into one common share of the Company for a period of 36 months from issuance at an exercise price equal to 120% of the 20-day volume weighted average trading price of the Company's common shares on the TSX-V on the business day immediately preceding the date of issuance.

The La Plata district has a long and rich history of mining. High-grade silver and gold production has been documented from the 1870s through the early 1940s from vein structures, replacement bodies and breccia zones at over 90 individual mines and prospects. From the 1950s to the 1970s, 49 holes were drilled on the La Plata property totalling 12,700m by major miners Rio Tinto and Freeport-McMoran (formerly Phelps-Dodge). Drill holes and trenches confirmed the presence of a large-scale, multi-phase, precious-metals-rich alkalic copper porphyry system grading up to 1% copper with significant silver and other precious metals.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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MINERAL PROPERTIES (continued)

COLORADO SILVER-GOLD PROJECT (UNITED STATES) (continued)

LA PLATA PROJECT (continued)

The La Plata property has been privately held since 2002, following sale of the last of the claims held by Freeport-McMoran near the bottom of the last copper market cycle. There has been virtually no modern exploration in over 50 years on either the large-scale porphyry system or the surrounding high-grade epithermal zones, both of which will be a focus for Metallic. Systematic exploration at the La Plata property has the potential to rapidly enhance the size of the known historic mineral resources and to identify and expand the higher-grade zones within the broader porphyry and epithermal mineralized systems.

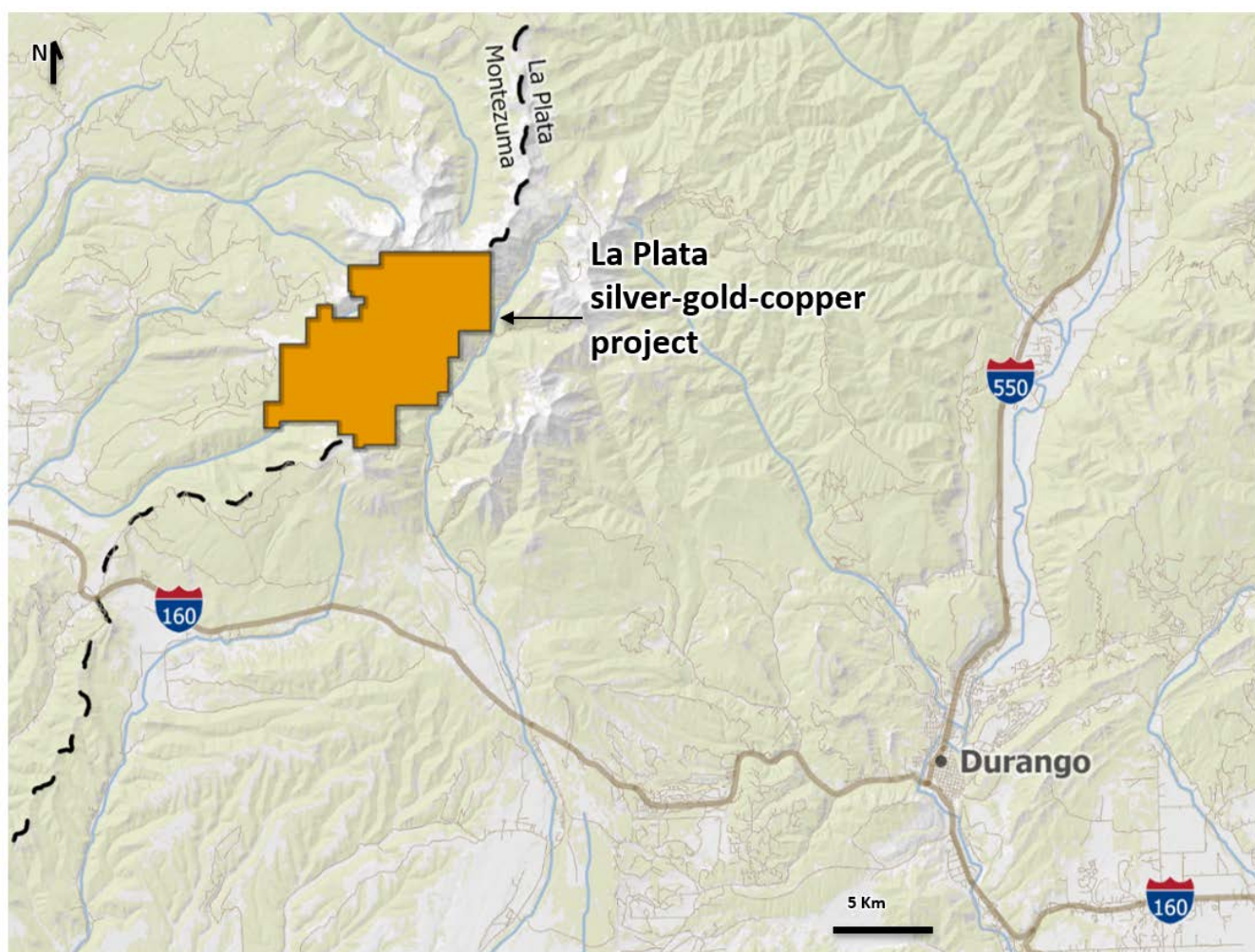


Figure 3. The Company's La Plata silver-gold-copper property located in the La Plata mining district of Colorado.



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MINERAL PROPERTIES (continued)

COLORADO SILVER-GOLD PROJECT (UNITED STATES) (continued)

LA PLATA PROJECT WORK PROGRAM

In the fall of 2019, the Company initiated an on-site exploration program to collect geological, geochemical and geophysical information covering this historic high-grade brownfields district, including synthesis of past exploration and mining information to systematically refine future targets for drilling. Exploration in 2019 has focused on utilizing modern exploration tools to assess both the central precious metals rich porphyry system, which was the focus of drilling by Rio Tinto and Freeport-McMoran, and the surrounding high-grade silver-lead-zinc and epithermal silver-gold-telluride mineralization, which where the focus of historic mining and prospecting from the 1870s to 1940s.

Work in 2019 has focused on assessing key characteristics of the various styles of mineralization through mapping, prospecting and soil sampling. A broad soil and rock sampling program across the entire property was collected to establish mineralized anomalies and domains for mineralization styles. In addition, interpretation of airborne geophysics and satellite based multi-spectral remote sensing is underway. The company is currently working to further refine the 3D geologic model from historic drilling and to establish permits for a potential drill program in 2020.

QUALIFIED PERSON

Mr. Scott Petsel, P.Geo., VP Exploration for the Company and a Qualified Person within the meaning of National Instrument 43-101, has reviewed the technical information in this MD&A.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

CAPITALIZED ACQUISITION COSTS

The changes in capitalized exploration and evaluation assets for the years ended July 31, 2018 and 2019 are presented below:

	Keno Silver Project	McKay Hill Project	Klondike Gold Project	Total
	\$	\$	\$	\$
Balance, July 31, 2017	380,903	6,000	92,038	478,941
Cash payments	23,399	1,605	82,500	107,504
Licensing costs	19	-	2,110	2,129
Legal and other	400	-	-	400
Shares issued	68,000	17,600	150,000	235,600
Staking costs (recovery)	(520)	244	45,535	45,259
Warrants issued	22,540	-	-	22,540
Balance, July 31, 2018	494,741	25,449	372,183	892,373
Licensing costs	1,055	-	-	1,055
Shares issued	-	-	52,500	52,500
Staking costs	-	-	33,964	33,964
	1,055	-	86,464	87,519
Balance, July 31, 2019	495,796	25,449	458,647	979,892



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

MINERAL PROPERTIES (continued)

PROPERTY EXPENDITURES

A summary of the exploration and evaluation expenditures incurred for the year ended July 31, 2019 is presented below:

	Keno Silver Project	McKay Hill Project	Klondike Project	La Plata Project	Total
	\$	\$	\$	\$	\$
Analysis	21,882	367	-	-	22,249
Camp costs	166,415	8,063	10,619	861	185,958
Community consultation and permitting	22,104	8,871	10,322	-	41,297
Consulting	161,737	8,704	65,415	31,795	267,651
Drilling	374,108	-	-	-	374,108
Equipment and communication	(30,759)	14,051	11,463	6,824	1,579
Fuel	2,769	13,036	7,411	60	23,276
Salaries and benefits	190,286	99,482	14,077	4,926	308,771
Transportation and travel	65,075	17,402	7,843	14,219	104,539
Trenching and test pitting	-	-	49,208	-	49,208
	<u>973,617</u>	<u>169,976</u>	<u>176,358</u>	<u>58,685</u>	<u>1,378,636</u>
Less: Government grants	-	(25,000)	(40,000)	-	(65,000)
	<u>973,617</u>	<u>144,976</u>	<u>136,358</u>	<u>58,685</u>	<u>1,313,636</u>

OVERALL PERFORMANCE

FINANCIAL CONDITION

The net assets of the Company increased from \$1,493,413 at July 31, 2018 to \$1,940,016 at July 31, 2019, an increase of \$446,603. The most significant assets at July 31, 2019 were exploration and evaluation assets of \$979,892 (2018: \$892,373), cash of \$813,348 (2018: \$1,367,132), due from related party of \$145,001 (2018: \$280,869) and receivables of \$113,905. The liabilities at July 31, 2019 were accounts payable and accrued liabilities of \$153,930 (2018: \$1,099,996), a FT share premium liability of \$12,030 (2018: \$186,712) and loans payable of \$22,000 (2018: \$22,000).



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

FINANCIAL CONDITION (continued)

The amount of \$145,001 due from related party at July 31, 2019 was a net receivable from TruePoint (see *'Related Party Transactions'* on Page 20). The amount due from related parties at July 31, 2018 was a net receivable of \$167,969 from Group Ten and \$112,900 from Granite Creek (see *'Related Party Transactions'* on Page 20). The FT share premium liability is an estimated premium that investors pay for the FT feature. Upon eligible exploration expenses being incurred, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the shareholders.

RESULTS OF OPERATIONS

The net loss for the year ended July 31, 2019 was \$2,516,245 (2018: \$4,407,530). The significant decrease in net loss year-over-year is a result of the Company conducting significant field exploration programs during fiscal 2018.

The most significant expenses for the year ended July 31, 2019 were exploration expenditures of \$1,313,636 (2018: \$2,752,715), investor relations and corporate development expenses of \$471,765 (2018: \$459,565), consulting fees of \$433,488 (2018: \$354,453) and share-based payment expense of \$208,672 (2018: \$523,928). Other items consisted of other income of \$174,682 (2018: \$141,992) and miscellaneous and interest income of \$27,261 (2018: \$8,353).

The majority of 2019 exploration expenditures were drilling costs of \$374,108 (2018: \$746,530), salaries and benefits of \$308,771 (2018: \$457,170), consulting fees of \$267,651 (2018: \$517,333) and camp costs of \$185,958 (2018: \$166,514). \$973,617 of the 2019 exploration expenditures were incurred on the Keno silver project (2018: \$1,976,046), \$144,976 on the McKay Hill project (2018: \$500,051), \$136,358 on the Klondike gold project (2018: \$276,618) and \$58,685 on the La Plata project (2018: \$Nil).

The majority of 2019 investor relations and corporate development expenses of \$471,765 consisted of corporate advisory fees of \$156,276, advertising costs of \$147,255 and conference costs of \$112,126.

The majority of 2019 consulting fees of \$433,488 consisted of CEO fees of \$149,833, VP Exploration fees of \$91,099, fees charged by Midnight Mining (see *'Related Party'* note on Page 20) and CFO fees of \$38,500.

Share-based payment expense is calculated by using the Black-Scholes Option Pricing Model, which is a fair value method of accounting for all awards of stock options. Variations in share-based payment 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. The share-based payments expense was \$315,256 lower for the year ended July 31, 2019 as compared to 2018. The Company granted 2,500,000 stock options during the year ended July 31, 2019 (2018: 2,200,000) with a weighted average exercise price of \$0.18 per share (2018: \$0.30 per share).

Other income consisted exclusively of the settlement of FT share premium liability as a result of incurring qualified exploration expenditures.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

CASH FLOWS

Cash decreased by \$553,784 during the year ended July 31, 2019, from \$1,367,132 at July 31, 2018 to \$813,348 at July 31, 2019. The decrease in cash was a result of cash of \$3,417,199 used in operating activities and cash of \$52,518 used in investing activities, partially offset by cash of \$2,915,933 provided by financing activities.

The cash of \$3,417,199 used in operating activities consisted of the net loss of \$2,516,245, a net change in non-cash working capital items of \$938,249, partially offset by non-cash items of \$37,295.

The cash of \$2,915,933 provided by financing activities consisted of the Company receiving \$1,806,600 pursuant to the exercise of 18,066,000 share purchase warrants, completing two concurrent private placements resulting in net proceeds to the Company of \$895,076 through the issuance of 4,038,075 units and receiving a net amount of \$214,257 from related parties.

SELECTED ANNUAL INFORMATION

	2019	2018	2017
	\$	\$	\$
Miscellaneous and interest income	27,261	8,353	646
Other income	174,682	141,992	80,508
Expenses	(2,718,188)	(4,557,875)	(2,652,386)
Net loss for the year	(2,516,245)	(4,407,530)	(2,571,232)
Basic and diluted loss per share	(0.04)	(0.08)	(0.07)
Total assets	2,127,976	2,802,121	2,426,929
Total long-term financial liabilities	-	-	-
Cash dividends declared	-	-	-



**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

SUMMARY OF QUARTERLY RESULTS

The following is a summary of the Company’s financial results for the most recent eight quarterly periods:

	Q4, 2019	Q3, 2019	Q2, 2019	Q1, 2019
	\$	\$	\$	\$
Net loss for the period	(682,157)	(207,424)	(595,942)	(1,030,722)
Basic and diluted loss per share	(0.01)	(0.00)	(0.01)	(0.02)
	Q4, 2018	Q3, 2018	Q2, 2018	Q1, 2018
	\$	\$	\$	\$
Net loss for the period	(1,770,118)	(515,674)	(523,728)	(1,598,010)
Basic and diluted loss per share	(0.03)	(0.01)	(0.01)	(0.04)

Over the last eight quarters, the Company’s net loss has ranged from \$207,424 in Q3, 2019 to a net loss of \$1,770,118 in Q4, 2018.

The large fluctuations in the quarterly net losses are mainly attributable to the Company conducting significant field exploration programs in certain quarters.

The most significant expenses in Q4, 2019 were exploration expenditures of \$328,445, investor relations and corporate development costs of \$126,633, office and administration costs of \$86,425 and share-based payment expense of \$85,228.

In Q4, 2018 (May – July 2018) and Q1, 2019 (August – October 2018), the Company conducted sizeable exploration programs, with the majority on its Keno Silver project.

LIQUIDITY AND CAPITAL RESOURCES

In management’s view, given the nature of the operations, which currently consists of its interest in certain mineral properties, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company’s financial success will be dependent upon the extent to which it can determine whether its resource properties contain reserves, which are economically recoverable.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

LIQUIDITY AND CAPITAL RESOURCES (continued)

Such development may take years to complete and the amount of resulting income, if any, is difficult to determine. The Company does not expect to receive significant income in the foreseeable future.

As at July 31, 2019, the Company had current assets totalling \$1,113,360, including \$813,348 of cash. The Company had working capital of \$925,400 and no long-term debt. On October 17, 2019, the Company completed a non-brokered private placement for gross proceeds of \$2,750,000 through the issuance of 12.5 million FT units at a price of \$0.22 per unit.

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.

CONTRACTUAL OBLIGATIONS

As a result of the issuance of FT shares on July 31, 2018 and November 21, 2018, as at July 31, 2019, the Company had a commitment to incur approximately \$249,000 in qualifying Canadian exploration expenditures on or before December 31, 2019.

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. Amounts paid by the Company for the services provided by related parties are determined by negotiation among the parties and are reviewed and approved by the Company's Board of Directors. These transactions are in the normal course of operations and are measured at their exchange amount, which is the amount agreed upon by the transacting parties.

In addition to key management personnel, the Company transacted with the following related parties during the years ended July 31, 2019 and 2018:

- TruePoint Exploration Inc. ("**TruePoint**"), a privately held geological consulting firm controlled by a group of shareholders including Greg Johnson, the President and CEO of the Company, is a related party through its management contracts, which confer significant influence over operations. Charges are for exploration, management, accounting and office and administration.



**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

RELATED PARTY TRANSACTIONS (continued)

- Group Ten and Granite Creek are public companies related to the Company by virtue of Directors and/or Officers in common. Together with the Company, they are members of the Metallic Group of Companies which is a collaboration of precious and base metals exploration companies that aim to gain a competitive advantage through sharing administration costs, expertise and other resources.
- Midnight Mining Services Ltd. (“**Midnight Mining**”) is a private company controlled by Bill Harris, a director of the Company.
- Foran Mining Corporation (“**Foran**”), a public company whose CFO, Tim Thiessen, is the CFO of the Company.

Details of transactions between the Company and related parties, in addition to those transactions disclosed elsewhere in this MD&A, are described below.

a) Related Party Transactions

		2019	2018
		\$	\$
Consulting fees	1	335,980	261,525
Exploration and evaluation assets	2	26,250	60,000
Exploration expenditures	3	29,700	64,750
Share-based payment expense	4	181,141	348,116
Bonuses	5	-	222,750
Exploration and administrative support costs	6	443,795	-
		1,016,866	957,141

¹ Consulting fees for the years ended July 31, 2019 and 2018 consisted of fees earned by key management personnel including the CEO, CFO, VP Government & Community Relations, VP Exploration and Corporate Secretary, and fees earned by Midnight Mining.

² The amount of \$26,250 for the year ended July 31, 2019 consisted of the value of 125,000 common shares issued to a director of the Company in relation to the Australia Creek option agreement. The amount of \$60,000 for the year ended July 31, 2018 consisted of a cash payment of \$25,000 and 125,000 common shares valued at \$35,000 issued to a director of the Company in relation to the Australia Creek option agreement.

³ Exploration expenditures consisted of equipment rentals from Midnight Mining Services Ltd.

⁴ Share-based payment expense is a non-cash item that consisted of the fair value of stock options that were granted to key management personnel.

⁵ Bonuses for the year ended July 31, 2018 consisted of bonus shares issued to the CEO, CFO and directors of the Company.

⁶ Exploration and administrative support costs were charged by TruePoint and consisted of mineral exploration and evaluation costs, consulting fees, corporate advisory fees and office and administration costs.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

RELATED PARTY TRANSACTIONS (continued)

b) Related Parties Balances

The Metallic Group of Companies pay for certain shared costs on behalf of each other. The receivable and or payable balances with Group Ten and Granite Creek in the tables below are a result of these shared costs.

The Company's related party balances consisted of the following at July 31:

	2019	2018
Current asset	\$	\$
Due from TruePoint	145,001	-
Due from Greg Johnson	1 51,449	-

1 This amount related to a warrant exercise completed in July 2019 and was included in receivables.

	2019	2018
Non-current assets	\$	\$
Due from Group Ten	-	167,969
Due from Granite Creek	-	112,900
	-	280,869

	2019	2018
Current liabilities	\$	\$
Due to Midnight Mining	1 26,994	-
Due to Greg Johnson	1 -	87,500
Due to Tim Thiessen, CFO	1 3,150	2,678
Due to Foran Mining	1 4,822	7,304
	34,966	97,482

1 These amounts were included in accounts payable and accrued liabilities.



**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

RELATED PARTY TRANSACTIONS (continued)

c) Insider Participation in Private Placements

A summary of insider participation in the Company’s private placements for the year ended July 31, 2019 was as follows:

November 2018 Private Placement	Number of Shares	Price	Proceeds
		\$	\$
Alicia Milne, Corporate Secretary	5,000	0.22	1,100
Midnight Mining	250,000	0.22	55,000
Greg Johnson	250,000	0.22	55,000
Mathew Lee, CFO	15,900	0.22	3,498
	<u>520,900</u>		<u>114,598</u>

FOURTH QUARTER

The Company had a net loss of \$682,157 in Q4, 2019 which comprised of expenses of \$744,504, partially offset by other income of \$35,578 and miscellaneous and interest income of \$26,769. The most significant expenses in Q4, 2019 were exploration expenditures of \$328,445, investor relations and corporate development costs of \$126,633, office and administration costs of \$86,425 and share-based payment expense of \$85,228.

PROPOSED TRANSACTIONS

As of the date of this report, there were no proposed transactions.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

i) Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year and include, but are not limited to, the following:

Share-based payments

The fair value of share-based payments is subject to the limitations of the Black-Scholes option pricing model that incorporates market data and involves uncertainty in estimates used by management in the assumptions. Because the Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

ii) Critical accounting judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the following:

Exploration and Evaluation Expenditures

The application of the Company accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will follow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the Company's profit or loss in the period the new information becomes available.

Title to Mineral Property Interests

Although the Company takes steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

Going Concern

The preparation of the Company's financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1 of the consolidated financial statements for the year ended July 31, 2019.

FINANCIAL AND OTHER INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks which are discussed in detail in Note 10 of the Company's consolidated financial statements for the year ended July 31, 2019.



**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019**

OTHER MD&A REQUIREMENTS

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

General and administration expenses for the year ended July 31 were as follows:

	2019	2018
	\$	\$
Consulting	433,488	354,453
Bonuses	-	285,450
Depreciation	3,305	-
Investor relations and corporate development	471,765	459,565
Office and administration	137,494	82,626
Professional fees	64,397	33,041
Property evaluation	31,223	18,775
Share-based payment expense	208,672	523,928
Transfer agent, regulatory and filing fees	47,739	30,447
Travel and accommodation	6,469	16,875
	<u>1,404,552</u>	<u>1,805,160</u>

DISCLOSURE OF OUTSTANDING SHARE DATA

As of the date of this report, there were 99,011,304 common shares, 11,775,947 share purchase warrants and 8,900,000 stock options outstanding.

NEW AND REVISED ACCOUNTING STANDARDS

There were no new accounting standards adopted during the year ended July 31, 2019.

RISKS AND UNCERTAINTIES

The principal business of the Company is the acquisition, exploration and development of silver and gold mineral properties. Given the nature of the mining business, the limited extent of the Company's assets and the present stage of development, the following risk factors, among others, should be considered:

Exploration Stage Company

The Company does not hold any known mineral reserves of any kind and does not generate any revenues from production. The Company’s success will depend largely upon its ability to locate commercially productive mineral reserves. Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that exploration efforts will be successful. Success in establishing reserves is a result of a number of factors, including the quality of management, the level of geological and technical expertise, and the quality of property available for exploration.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

RISKS AND UNCERTAINTIES (continued)

Exploration Stage Company (continued)

Once mineralization is discovered, it may take several years in the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves through drilling and bulk sampling, to determine the optimal metallurgical process to extract the metals from the ore and, in the case of new properties, to construct mining and processing facilities. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of resources or reserves.

Operating History and Availability of Financial Resources

The Company does not have an operating history and has no operating revenues and is unlikely to generate any significant amount in the foreseeable future. Hence, it may not have sufficient financial resources to undertake by itself all of its planned mineral property acquisition and exploration activities. Operations will continue to be financed primarily through the issuance of securities.

The Company will need to continue its reliance on the issuance of such securities for future financing, which may result in dilution to existing shareholders. Furthermore, the amount of additional funds required may not be available under favourable terms, if at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further exploration and development and could cause the Company to forfeit its interests in some or all of its properties or to reduce or discontinue its operations.

Price Volatility and Lack of Active Market

Securities markets in Canada and elsewhere continue to experience a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly. If an active market does not develop, the liquidity of the investment may be limited and the market price of such securities may decline below the subscription price.

Competition

The resource industry is intensively competitive in all of its phases, and the Company competes with many other companies possessing much greater financial and technical resources. Competition is particularly intense with respect to the acquisition of desirable undeveloped properties. The principal competitive factors in the acquisition of prospective properties include the staff and data necessary to identify and investigate such properties, and the financial resources necessary to acquire and develop the projects. Competition could adversely affect the Company's ability to acquire suitable prospects for exploration.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JULY 31, 2019

Government Regulations and Environmental Risks and Hazards

The Company's conduct is subject to various federal, provincial and state laws, and rules and regulations including environmental legislation. The Company has adopted environmental practices designed to ensure that it continues to comply with environmental regulations currently applicable to it. All of the Company's activities are in compliance in all material respects with applicable environmental legislation.

Environmental hazards may exist on the Company's properties, which may have been caused by previous or existing owners or operators of the properties. The Company is not aware of any existing environmental hazards related to any of its current property interests that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the resource property interests, the potential for production on the property may be diminished or negated.

Dependence on Key Personnel

The Company is dependent on a relatively small number of key directors, officers and senior personnel. Loss of any one of those persons could have an adverse effect on the Company. The Company does not currently maintain "key-man" insurance in respect of any of its management.

Licenses and Permits

The operations of the Company require licenses and permits from various government authorities. The Company believes that it holds all necessary licenses and permits under applicable laws and regulations for work in progress and believes it is presently complying in all material respects with the terms of such licenses and permits. However, such licenses and permits are subject to change in various circumstances. There can be no guarantee that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to explore and develop its properties, commence construction or operation of mining facilities or to maintain continued operations that economically justify the cost.

Title to Property

Although the Company has exercised the usual due diligence with respect to title to properties in which it has a material interest, there is no guarantee that title to the properties will not be challenged or impugned. The Company's mineral property interest may be subject to prior unregistered agreements or transfers, aboriginal land claims, government expropriation and title may be affected by undetected defects. In addition, certain mining claims in which the Company has an interest are not recorded in the name of the Company and cannot be recorded until certain steps are taken by other parties.



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JULY 31, 2019

OTHER INFORMATION

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Chairman of the Board, President & CEO – Greg Johnson
Director – Bill Harris
Director – Stephen Pearce
Director – Gregor Hamilton
Vice President, Exploration – Scott Petsel
Chief Financial Officer – Tim Thiessen
Corporate Secretary – Alicia Milne

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Listings

TSX Venture Exchange Symbol: “MMG”
US OTC: “MMNGF”